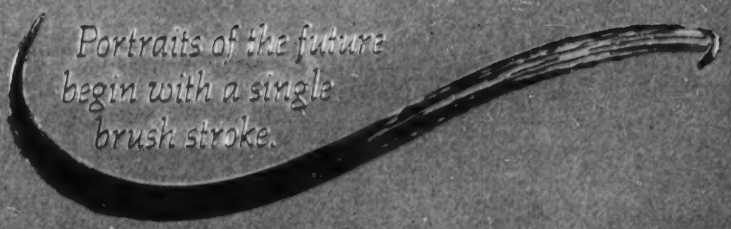
FOR THE FISCAL YEAR ENDED JUNE 30, 1988

ANNUAL REPORT OF THE STATE TREASURER OF VIRGINIA


Portraits of the future
begin with a single
brush stroke.

ANNUAL REPORT OF THE STATE TREASURER

Report of the Treasurer
To the Governor of Virginia
For The Fiscal Year Ended June 30, 1988

GERALD L. BALILES
Governor

STUART W. CONNOCK
Secretary of Finance

ALICE W. HANDY
Treasurer

Alice W. Handy
Treasurer of Virginia
101 North Fourteenth Street
Richmond, Virginia 23219

The Honorable Gerald L. Baliles
Governor
Commonwealth of Virginia
State Capitol
Richmond, Virginia 23215

December 15, 1988

Dear Governor Baliles:

In accordance with Section 2.1-191 of the *Code of Virginia, (1950), as amended*, I respectfully submit my Annual Report for the fiscal year ended June 30, 1988. As further elaborated upon within the Executive Summary which follows, this Report outlines the performance and achievements of the Department of the Treasury in meeting the financial challenges facing the Commonwealth of Virginia. I believe these achievements exemplify our continuing dedication to the prudent and sound management of Virginia's financial resources.

We are particularly proud of several accomplishments this year. Virginians received tax refund checks within two weeks through the State Accelerated Tax Refund Program. We also established an automated system to receive payments electronically from the federal government. In addition, a newly created Reciprocal Audit Task Force comprised of Virginia and four other states, completed audits of two national mutual funds yielding over $300,000 in unclaimed property for Virginia citizens.

Management Responsibilities

This report has been prepared by the Office of the State Treasurer, whose management is responsible for the integrity and objectivity of the financial and other statistical and analytical data presented herein. In preparing this Annual Report, I relied upon established internal accounting and administrative controls, which I believe provide reasonable assurance as to the accuracy of the financial information presented.

The financial statements contained in this Report have been prepared in accordance with the governmental reporting model as prescribed by the Governmental Accounting Standards Board. The financial statements presented in the Report are not the general purpose financial statements of the Commonwealth. Those statements are contained in the Report of the State Comptroller.

While the statistical and analytical statements presented are unaudited, I believe the data presented is accurate in all material respects and that all necessary disclosures to enable the reader to obtain an understanding of the financial activities of the State Treasury have been included.

Independent Audit

In accordance with Section 2.1-155 of the *Code of Virginia, (1950), as amended*, this Report contains the Auditor of Public Accounts' opinion letter, covering his examination of the financial statements of the State Treasury for the fiscal year ended June 30, 1988. The Auditor's examination was conducted in accordance with generally accepted auditing standards.

Acknowledgements and Conclusion

I wish to recognize William Clay Wiley, Treasurer during the period reported herein, under whose leadership the achievements cited in this Report were accomplished. I also want to express my appreciation to my staff for their efforts in making this Report possible, to those State agencies who provided us with necessary financial information and to the Auditor of Public Accounts' Office for providing an audit opinion in time for this Report.

The Department of the Treasury and I commit to you and the citizens of Virginia our continued dedication to provide leadership in meeting the present and future financial needs of the State. I believe that our innovative approach to management will provide the Commonwealth with a sound basis to meet the challenges of the future.

Respectfully submitted,

Alice W. Handy

Treasurer of the Commonwealth of Virginia

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INTRODUCTORY SECTION

Financial Highlights
Executive Summary

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Financial Highlights

(Dollars in Thousands)

		Fiscal Year Ended June 30 1988	1987
INTEREST AND FEE INCOME	Interest Income:		
	General Account	$ 76,716	$ 69,125
	Virginia Supplemental Retirement System	45,119	50,959
	Special and Trust Funds	55,105	46,871
	Total Interest Income	176,940	166,955
	Fee Income:		
	Collateral Custodial Fees	157	136
	Local Government Investment Pool Fees	341	211
	Total Fee Income	498	347
	Total Interest and Fee Income	$ 177,438	$ 167,302
PORTFOLIO BALANCES	Average Invested Balances:		
	General Account	$1,007,500	$ 896,500
	Virginia Supplemental Retirement System	642,800	758,100
	Special and Trust Funds	758,200	635,300
	Total Average Invested Balances	$2,408,500	$2,289,900
PORTFOLIO YIELDS	Average Portfolio Yield	7.3%	7.3%
ABANDONED PROPERTY	Unclaimed Property Reported by Holders	$ 15,616	$ 18,022
	Findings from Audits of Holders	2,363	5,782
	Escheat Receipts	1,139	911
	Misc. Receipts (stock sale, dividends, etc.)	791	841
	Total Abandoned Property	19,909	25,556
	Application of Amounts:		
	Escheat Expenses, Refunds, and Taxes	255	211
	Returned to Owners by Department	2,138	1,762
	Returned to Owners by Holders	3,940	6,504
	Unremitted or Disputed Amounts	1,576	1,584
	Departmental Operating Expenses	1,316	1,295
	Total Application	9,225	11,356
	Net to Literary Fund:		
	From Unclaimed Property	9,800	13,500
	From Escheats	884	700
	Total to Literary Fund	$ 10,684	$ 14,200
LONG-TERM DEBT (at year end)	Total General Fund Supported Debt	$ 525,757	$ 541,349
	Non-General Fund Supported Debt:		
	State Agency Debt	$ 254,150	$ 267,148
	State Authority Debt	4,209,876	3,851,570
	Total Agency and Authority Debt	$4,464,026	$4,118,718

Executive Summary

Overview

For the Department of the Treasury, the 1980's have brought new challenges, broader responsibilities, and greater visibility. Professional financial expertise, coupled with the development of effective debt management and cash management and investment programs and efficient operating systems, form the basis from which the State Treasury provides services to the Commonwealth of Virginia. The dedication of the Agency is reflected in the outreach programs and innovative initiatives being accomplished by the Department.

As a central State Agency, the major responsibilities of the State Treasury are to:

- Receive, maintain custody of, and disburse all funds collected by State Government;
- Administer unclaimed property and escheat laws;
- Invest State monies;
- Maintain and enhance cash management and banking services;
- Administer the Security for Public Deposits Act; and
- Arrange for and manage the short and long term financing needs of the Commonwealth.

The functions, powers, and duties of the Department of Treasury are discharged through five divisions: General Management, Operations, Abandoned Property, Cash Management and Investments, and Debt Management.

The Division of General Management provides departmental management and support services, including administrative, personnel, internal auditing, and financial policy analysis. The Deputy Treasurer, appointed by the Treasurer, oversees the day-to-day management of the Agency.

Treasury Operations is responsible for the fiscal operations of the Agency and accounting for trust funds over which the Treasurer has custody. This Division is also charged with the processing and disbursement of payments, bank reconciliation, agency purchasing and data processing.

The primary responsibility of the Abandoned Property Division is to administer Virginia's Unclaimed Property Act, whose purpose is to return abandoned property to rightful owners. The State Treasurer is custodian of all abandoned property, which is held in the Literary Fund in perpetuity until the rightful owner or heir can be located. This Division also administers the State's escheat laws.

The Cash Management and Investment Division is assigned the responsibility for investing State monies, forecasting of cash receipts and disbursements, developing cash management policy and initiatives, and procurement of statewide banking services.

The Division of Debt Management provides professional staff services to the Treasury Board, State Council on Local Debt, College Building Authority, Public Building Authority, and Public School Authority related to the structuring of debt issues and managing outstanding debt.

Challenges

Both local and national events impact the State Treasury's delivery of services. In responding to these events, as well as delivering present services and developing its own initiatives, Treasury has brought together the team of professional managers needed to keep the Commonwealth in a leadership role among other states.

The federal government implemented its Vendor Express system, which will enable federal agencies to pay vendors electronically. The Commonwealth responded by establishing an automated system to receive these electronic payments, and identify the State agency being paid.

Because the return of unclaimed property to Virginia citizens is one of Treasury's most important consumer programs, we support federal legislation currently being considered that would require the federal government to comply with unclaimed property laws. Property held by federal agencies includes such items as unredeemed savings bonds (Bureau of Public Debt), home mortgage escrow accounts (Department of Housing and Urban Development), and income tax refunds (Internal Revenue Service).

For the tax year 1987, the Governor initiated an "Accelerated Tax Refund" Program. Working in conjunction with the Departments of Accounts and Taxation, Treasury mailed refund checks to taxpayers within two weeks of receipt of the individual's tax return.

In our safekeeping role for State monies, and our dealings with the commercial and investment banking community, the Department continues to monitor an on-going debate in Congress over bank deregulation and is presently

focused on the separation of banking and commerce. This separation, mandated by the Glass-Steagall Act in 1933, is being reexamined as it affects the ability of the nation's banking institutions to offer to customers certain types of securities and other consumer services, which have been reserved for the securities industry, insurance companies, and real estate firms.

The ability of the Commonwealth to issue tax-exempt bonds was recently threatened when, on April 20, 1988, the United States Supreme Court ruled, in *South Carolina v. Baker*, 99 L.Ed.2d 592 (1988), that bonds issued by state and local governments are not protected from federal taxation. While some members of Congress have indicated that they do not intend to tax the interest on public purpose bonds issued by state and local governments, an important tax-exempt protection on governmental bonds has been eliminated.

These and other challenges make for an exciting future for the Department. The changes have produced both opportunities and benefits for the Commonwealth, and its government. We believe that the actions taken in the past, as well as the present have prepared us to meet the challenges of the future.

Where We Have Been

Change has been rapid at the Department of the Treasury. Responding to new technologies, we have been able to not only speed up the flow of monies into the State Treasury through the use of lockbox and deposit concentration systems, but also to accelerate all types of payments to Virginia citizens. Early in the decade, Treasury committed to converting its paper based check processing system to an electronic one. Since that time, we have been able to respond to increasing volumes of payment transactions (see Figure 1) by acquiring new check processing technology and by making use of electronic payment processing.

The State Treasury is one of Virginia's largest users of the Automated Clearing House (ACH), an electronic funds transfer system. The use of ACH has allowed us to concentrate monies received from regional depositories, make payments to local governments, and implement direct deposit of state payroll and retirement payments. Begun in the early 1980's, these types of transactions increased 33% to 567,000 payments during 1988, compared to 426,000 in 1987 (See Figure 2). Likewise, the use of a microfilm check storage and retrieval system has enabled us to respond quickly to an increasing number of citizen inquiries each year without requiring additional staff resources.

The location and return of abandoned property to owners who had lost, forgotten, or never been aware of property belonging to them is the primary objective of our Unclaimed Property program. Since the inception of the program in 1961, we relied on educational programs and voluntary compliance in identifying abandoned property. Beginning in 1982, when the first Unclaimed Property auditor was hired, location of unclaimed property for Virginians has dramatically increased. This year, the staff completed 57 audits, with findings totalling $4.0 million, of which $2.1 million was remitted to Treasury, with the remainder to be returned to owners by holders, or be remitted in 1989 (see Figure 3). The amount of unclaimed property identified by the audit staff since 1982 now totals $27.7 million.

FIGURE 1

Distribution of Checks Issued

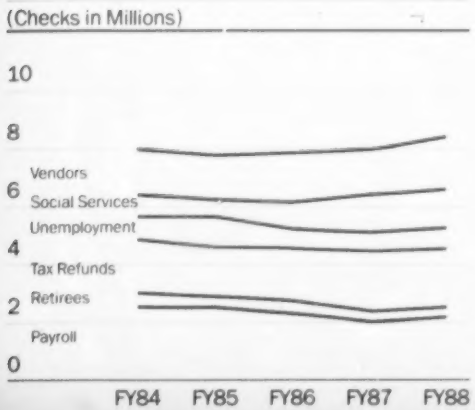
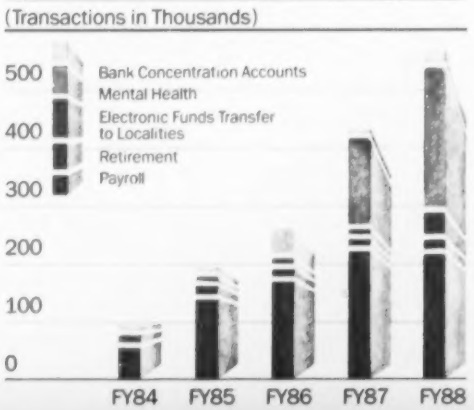
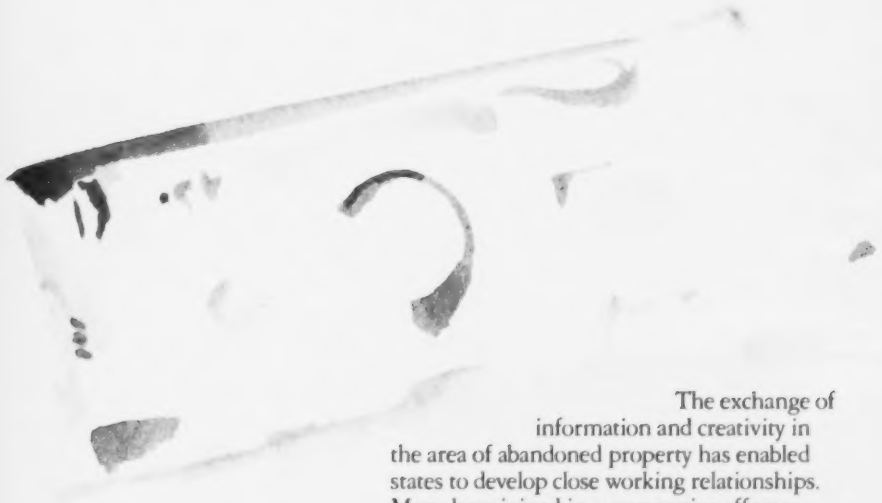


FIGURE 2

Volume of ACH Transactions





The exchange of information and creativity in the area of abandoned property has enabled states to develop close working relationships. Many have joined in a cooperative effort to share unclaimed property information with other states. This relationship also simplifies holder reporting. The Commonwealth now has reciprocal agreements with 21 states. Begun in 1986, SEARCH (State's Efforts Are Returning Cash Held) is our most active citizen outreach program. This educational program is used at shopping malls, festivals and fairs, and other public places.

Over the last six years, the Division of Cash Management and Investments has grown from two individuals to a staff of ten professionals. The State's investment assets have grown in both size and complexity. With balances having increased from approximately $1 billion in 1984 to the current $2 billion, authorized investments now include securities such as bankers' acceptances, corporate notes, and obligations of "triple A" rated foreign governments (see Figures 5 and 6). With average balances increasing slightly, and interest rates remaining stable throughout the year, investment earnings this fiscal year amounted to $176.9 million up from $167.0 million in 1987 (See Figure 7). Performance of all monies under the management of the State Treasury has consistently exceeded market indices and Donoghue's average of money market portfolios (See Figure 8).

Attention to changes in the banking industry has resulted in keeping sharply rising banking costs under tight control, while maintaining the highest possible level of quality. Our cash administration outreach program has been very successful in taking advantage of new and innovative strategies in moving funds so that the availability of these funds to the State is greatly accelerated.

A comprehensive Debt Study, completed in early 1986 provided the impetus for broadening the Treasury's role in providing additional oversight to State agencies and authorities issuing debt. In order to meet the challenge of managing debt in an increasingly complex financing environment and aggressively monitoring the administration of outstanding debt, additional debt professionals were added. A natural outgrowth of these new resources was the production of more comprehensive and complete information on outstanding debt that is updated annually in this Report. The Commonwealth continues to enjoy excellent bond ratings as a result of these ongoing efforts, prudent fiscal management, and conservative debt practices.

Where We Are Today

Success is dependent upon the continual efforts of an active and innovative management team. For the 1988 fiscal year, we have signifi-

FIGURE 3

Unclaimed Property Results of Audits—Reported Findings

(Dollars in Millions)

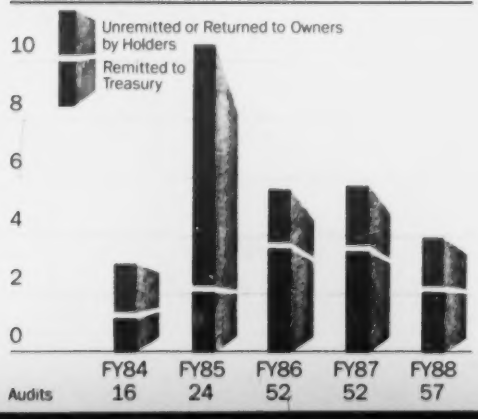
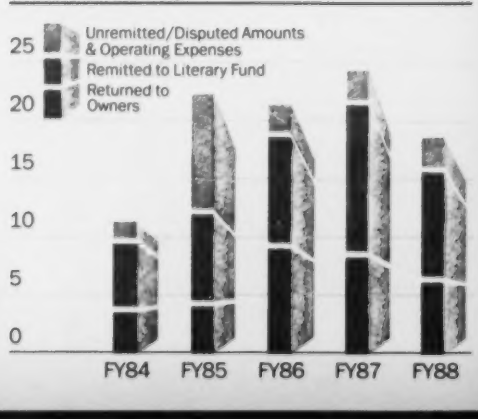


FIGURE 4

Unclaimed Property Reported

(Dollars in Millions)



cantly improved the delivery of services to the Commonwealth. A supportive environment was essential in accomplishing our goals this year.

In the area of automation, the Governor's "Accelerated Tax Refund" program led the way. In order to accomplish this task of getting tax refund checks to taxpayers within ten days, we introduced to our system, state-of-the-art processing equipment producing significant time savings. Taking full advantage of this new equipment, additional streamlining was possible by acquiring complementary equipment capable of presorting outgoing mail by zip code. As a result, we have positioned ourselves to be fully responsive to other agencies in implementing another gubernatorial initiative — ZIP + 4.

In fiscal year 1988, more than 42,000 names were added to our unclaimed property computer data base. The total property amounted to $18.8 million, of which $6.1 million was returned to owners, and $9.8 million transferred to the Literary Fund (see Figure 4). Virginia is a member of a five-state Reciprocal Audit Task Force, whose purpose is to pool resources needed to provide the manpower to audit large corporations. Audits of two of the nation's largest mutual funds were completed this year, with findings for Virginia citizens in excess of $300,000 — property which would not have been discovered without interstate cooperation. In addition, nineteen escheat auctions were held producing $1.1 million. As a result, delinquent taxes paid to the localities amounted to $136,957, and the property was returned to the tax rolls.

The movement of monies electronically has enabled the Commonwealth to meet the needs of its clients more efficiently at lower costs. In the cash management area, the federal government implemented its Vendor Express system, which allows the federal government to pay all vendors electronically. Working in conjunction with the financial community, we implemented a system which allows us to receive electronic payments not only from the federal government, but also from private sector vendors choosing to pay the Commonwealth in this same manner.

The depositing of public funds by local governments and the State is protected by the Virginia Security for Public Deposits Act. The Act requires all financial institutions which accept public deposits to pledge sufficient collateral with another institution to cover the public depositor's monies in the event of a bank failure. In 1988, the Treasury completed implementation of a monitoring mechanism that has allowed us to provide all local governments with valuable information regarding the status of collateral being pledged by their financial institutions on their behalf.

The prudent issuance of bonds, and judicious management of outstanding debt provides the cornerstone of the Commonwealth's exceptional credit rating. At the close of fiscal year 1988, total debt backed by the full faith and credit of the Commonwealth amounted to $404.4 million, of which $338.6 million was revenue supported. In addition, long-term building leases outstanding amounted to $121.4 million, for a total Commonwealth debt of $525.8 million. State agency debt outstanding at year's end was $254.2 million, and State authority debt

FIGURE 5

Size of Investment Portfolio (Yearly Average) All Accounts

(Dollars in Millions)

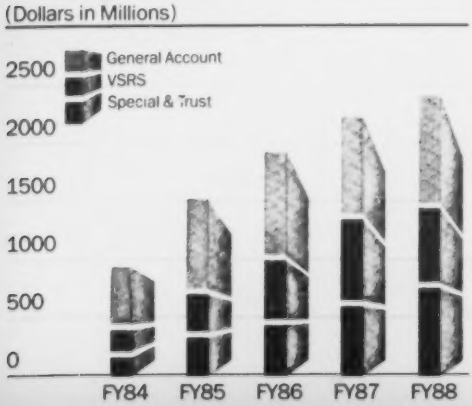
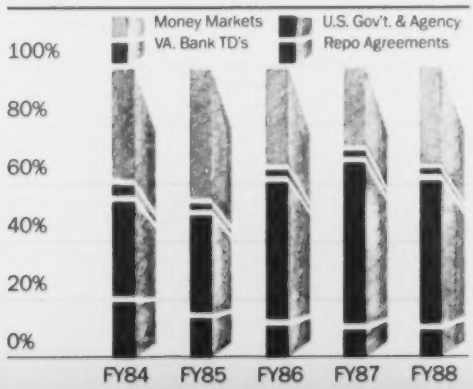


FIGURE 6

Portfolio Distribution by Investment Type— General Account



was $4,209.8 million (see Figure 9). For each of the debt transactions completed this year, the prices paid and the interest rates obtained were highly competitive in relation to the bond market rates at the time (see Figures 10 and 11).

During the fiscal year, the following transactions were completed:

A new Treasury Board program to provide low-interest financing of equipment for state agencies was implemented. One central line of credit available through the State Treasury allows agencies to lease-purchase equipment over a multi-year period of time at very attractive rates. This year also saw the beginning of

Month	Issue	Rating	Amount
September, 1987	Virginia Public School Authority Refunding Bonds	Aa/AA	$35,695,000
October, 1987	Virginia Public School Authority School Financing Bonds	Aa/AA	80,055,000
October, 1987	Virginia College Building Authority for Hampden-Sydney College	A-	11,500,000
December, 1987	Treasury Board Equipment Financing Line of Credit	n/a	10,000,000
March, 1988	Virginia Public School Authority School Financing Bonds	Aa/AA	52,395,000
May, 1988	Virginia College Building Authority Remarketing of 1986 Series B Bonds	Aa/AA	19,800,000
May, 1988	Treasury Board Equipment Financing Line of Credit	n/a	10,000,000
June, 1988	Virginia Public School Authority for Henrico County	Aaa/AAA	36,610,000
June, 1988	Commonwealth of Virginia 9(c) Higher Education Revenue Bonds	Aaa/AAA	6,885,000
June, 1988	Treasury Board Equipment Financing Aviation Equipment Lease	n/a	3,463,825

FIGURE 7

Income Earned on All Funds

(Dollars in Millions)

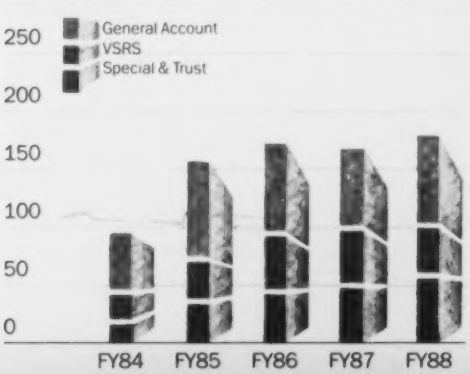
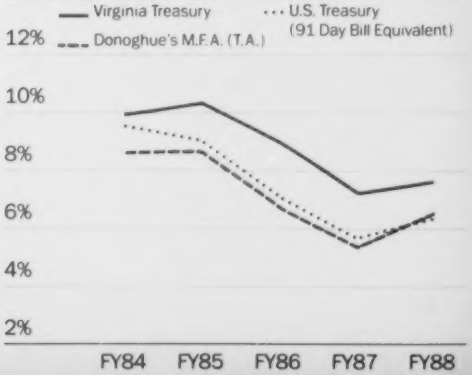


FIGURE 8

Average Yield on Investments—General Account



compliance with the arbitrage and rebate reporting requirements for bonds issued since the federal Tax Reform Act of 1986. These provisions not only have made the issuance of debt more complex, but also mean that the administration of outstanding debt is now more costly.

Where We Are Going

The events over the last several years have had profound implications for the State Treasury. The evolution of technological advances places us in a unique position to expand our financial expertise and services to other State agencies and institutions. We have built a strong foundation, and we are poised to take advantage of opportunities that will move us into the future.

The automation of many Agency functions paved the way for our longer term goal to streamline and consolidate all Agency accounting functions. Consolidation of these areas will allow us to eliminate duplication of work, effectively monitor internal controls, and offer more services.

The 1988 General Assembly passed two bills that will enable us to administer abandoned property statutes more efficiently and effectively. In addition to clarifying certain language, the legislation provided for one-time reporting and remitting of unclaimed property by holders. Holders of unclaimed property will now remit at the time that they report unclaimed property to Treasury. Previously, there was a six month delay. This change will not only relieve holders by shifting owner inquiries to our Department, but will also reduce significantly our data entry time through

a computer tape transfer of the information. A second bill has clarified the responsibilities of local officials and the State Treasury with regard to the administration of escheat statutes, and will expedite the assessment of taxes to new property owners following escheat sales.

Rarely does a day go by that a new investment product or a new banking service is not introduced and marketed. Staying abreast of all the new developments, and continuing our success of adding value to the hard earned taxpayers' monies under our stewardship is a most rewarding undertaking.

The coming years hold many challenges in the field of debt management. The use of book-entry only bonds will become commonplace in the very near future. The results of the Governor's transportation initiative are being seen around the Commonwealth as work was begun on structuring financings for the Route 28 project in Northern Virginia.

We are currently pursuing the creation of a Treasury Manual for local officials. The intent

FIGURE 9

Total Debt

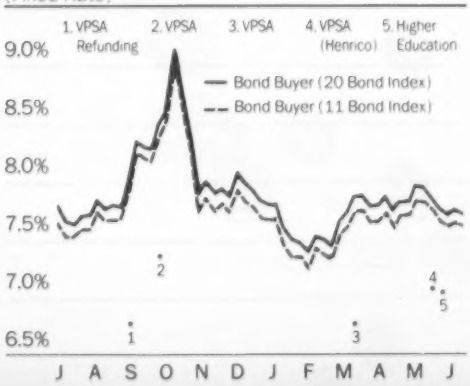
(Dollars in Millions)

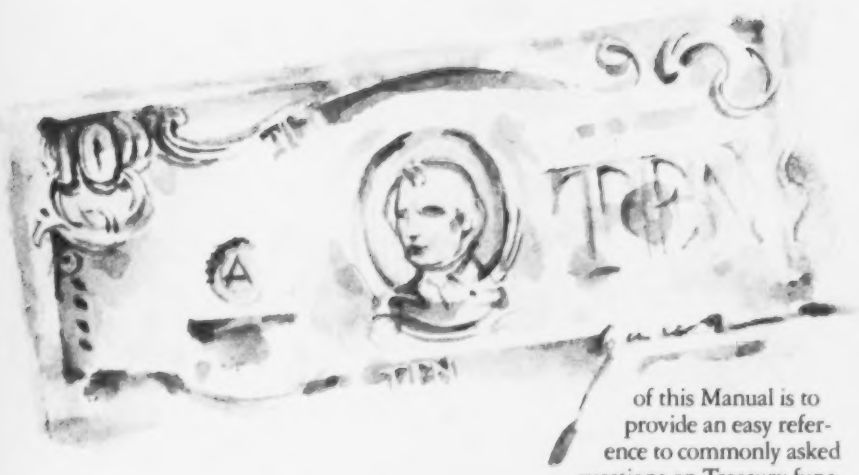
	FY87	FY88
Full Faith and Credit Debt:		
General Obligation Debt	$ 72.3	$ 65.8
Revenue Supported Debt	343.4	338.6
Total General Obligation Debt	415.7	404.4
Long-Term Building Leases	125.6	121.4
Total General Fund Supported Debt	$ 541.3	$ 525.8
Non-Full Faith and Credit Debt:		
Agency Debt	$ 267.1	$ 254.2
Authority Debt	3,851.6	4,209.8
Total Non-Full Faith and Credit Debt	$4,118.7	$4,464.0

FIGURE 10

True Interest Cost of Commonwealth Debt—FY '88

(Fixed Rate)





of this Manual is to provide an easy reference to commonly asked questions on Treasury functions and statutory requirements in one source document. We are also responding to a desire expressed by local officials, and will soon establish a State Non-Arbitrage Program for bonds issued by local governments. The program, the first one of its kind in the country, will provide a vehicle for the investment of bond proceeds and calculation of arbitrage rebate in compliance with new federal tax law.

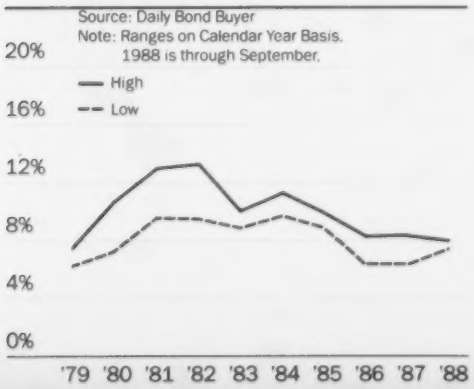
Positioning For The Future

The mission of the Department of the Treasury is to improve the timeliness of the receipt and disbursement of State funds; enhance the custody and safekeeping of the State's assets; conduct programs to improve compliance with unclaimed property and escheat laws; invest State funds in a manner that will maximize earnings on investments while safeguarding principal; structure debt issues in an efficient, prudent, and cost-effective manner; and develop policies for the financial management goals of the Commonwealth.

The State Treasury is well-positioned to meet the challenges which lie before us. We are an organization comprised of dedicated and creative professionals, offering our combined technical and management resources to solve problems and improve services. We have the technology in place that will enable us to embark on new programs in an expeditious and efficient manner. And we have the leadership, both within the government and from the private sector, to provide the direction for the future. The plans and strategies which have been developed will ensure public confidence in the management of the State's fiscal resources and maintain and promote a strong economic and financial foundation for the Commonwealth.

FIGURE 11

Range for the Bond Buyer 20—Bond Index



FINANCIAL SECTION

Independent Auditor's Report
Combined Financial Statements
Notes to the Financial Statements
Combining Financial Statements

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Independent Auditor's Report

Walter J. Kucharski, Auditor

Commonwealth of Virginia

Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23210

December 5, 1988

The Honorable Gerald L. Baliles
Governor of Virginia
State Capitol
Richmond, Virginia

The Honorable Robert B. Ball, Sr.
Chairman, Joint Legislative Audit
and Review Commission
General Assembly Building
Richmond, Virginia

Gentlemen:

We have examined the combined and combining financial statements of the Department of Treasury as of and for the year ended June 30, 1988, as listed in the Table of Contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary under the circumstances.

As described in Note 1, the financial statements of the Department of Treasury are prepared on the cash basis of accounting, with certain exceptions, to reflect the Department's accounting for funds for which it has a custodial responsibility. Accordingly, the accompanying financial statements are not intended to present financial position or results of operations of the Commonwealth of Virginia, Department of Treasury or its individual funds in accordance with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly the assets, liabilities and fund equity arising from cash transactions of the fund types and individual funds of the Department of Treasury as of June 30, 1988, and the revenue collected and expenditures paid during the year then ended, on the basis of accounting described in Note 1, which has been applied in a manner consistent with that of the preceding year.

Sincerely,

Walter J. Kucharski

Auditor of Public Accounts

Combined Balance Sheet—
Governmental, Proprietary, Fiduciary and Higher Education Funds

June 30, 1988

	Governmental Fund Types		
	Special Revenue	Debt Service	Capital Projects
Assets:			
Cash and Cash Equivalents	$ 13,373,830	$ 3,640,519	$ 2,344,238
Cash With Paying Agent	—	3,931,159	—
Loans Receivable	63,968,736	—	—
Interest Receivable	—	—	—
Accrued Interest Purchased	—	—	39,306
Investments	187,751,516	4,956,198	55,179,893
Investments In:			
Local School Bonds	—	—	—
Richmond, Fredericksburg & Potomac Railroad Stock	—	—	—
Securities Held by Escrow Agent	—	95,639,363	—
Securities Pledged and Held in Safekeeping	—	—	—
Securities of Other Agencies Held in Safekeeping	—	—	—
Due From Other Funds	253,277,910	—	—
Total Assets	$ 518,371,992	$ 108,167,239	$ 57,563,437
Liabilities:			
Accrued Interest Sold	$ —	$ —	$ —
Matured Interest Payable	—	3,926,110	—
Matured Bonds Payable	—	5,049	—
Bonds Payable	—	—	—
Due To Other Funds	—	—	—
Funds Held For Others	—	—	—
Total Liabilities	—	3,931,159	—
Fund Equity:			
Retained Earnings:			
Reserved for Amount Held in Escrow	—	—	—
Unreserved	—	—	—
Reserved Fund Balances	304,790,982	104,236,080	57,563,437
Unreserved Fund Balances	213,581,010	—	—
Total Fund Equity	518,371,992	104,236,080	57,563,437
Total Liabilities and Fund Equity	$ 518,371,992	$ 108,167,239	$ 57,563,437

The accompanying notes are an integral part of this financial statement.

Proprietary Fund	Fiduciary Fund Types			
Enterprise	Expendable Trust	Agency	Higher Education	Totals (Memorandum Only)
$ 17,092,457	$ 797,069	$ 101,104,684	$ 34,655,686	$ 173,008,483
994,440	—	—	6,449,712	11,375,311
240,822,246	—	—	—	304,790,982
—	—	858,431	—	858,431
1,292	851	928,294	155,281	1,125,024
10,886,797	664,794	1,865,451,163	150,770,876	2,275,661,237
403,770,000	—	—	—	403,770,000
—	—	94,759,200	—	94,759,200
34,453,925	—	—	131,735,710	261,828,998
—	—	153,770,363	—	153,770,363
—	—	8,236,057	—	8,236,057
—	—	—	—	253,277,910
$ 708,021,157	$ 1,462,714	$2,225,108,192	$ 323,767,265	$3,942,461,996
$ 199,392	$ —	$ —	$ 28,086	$ 227,478
519,440	—	—	1,714,712	6,160,262
475,000	—	—	4,735,000	5,215,049
408,375,000	—	—	—	408,375,000
253,277,910	—	—	—	253,277,910
—	—	2,225,108,192	—	2,225,108,192
662,846,742	—	2,225,108,192	6,477,798	2,898,363,891
34,453,925	—	—	—	34,453,925
10,720,490	—	—	—	10,720,490
—	—	—	—	466,590,499
—	1,462,714	—	317,289,467	532,333,191
45,174,415	1,462,714	—	317,289,467	1,044,098,105
$ 708,021,157	$ 1,462,714	$2,225,108,192	$ 323,767,265	$3,942,461,996

Combined Statement of Revenues, Expenditures and Changes in Fund Balances/Retained Earnings— Governmental, Proprietary, Fiduciary and Higher Education Funds

For the Fiscal Year Ended June 30, 1988

	Governmental Fund Types		
	Special Revenue	Debt Service	Capital Projects
Revenues:			
Interest On:			
Cash Equivalents and Investments	$ 13,258,885	$ 6,019,004	$ 6,721,186
Local School Bonds	—	—	—
Literary Loans	1,255,405	—	—
Fines and Forfeitures	1,270,527	—	—
Toll Revenue	39,502,825	—	—
Fines, Forfeitures, Escheats, and Penalties	25,964,129	—	—
Gain On Investments Sold	—	—	68,504
Transfers From State Agencies, Universities, and Others	488,513,466	12,940,726	2,000,000
Miscellaneous Revenue	13,192	—	—
Total Revenues	569,778,429	18,959,730	8,789,690
Expenditures:			
Interest Expense	—	19,367,487	—
Principal Retirement	—	10,580,000	—
Authorized Payments	489,643,321	178,473	49,098,900
Bond Issuance Costs	—	—	—
Refunds	18,500	—	—
Loss On Investments Sold	28,032	1,355	—
Tranfers To State Agencies, Universities, and Others	22,134,849	—	—
Miscellaneous Expense	13,745	12,069	11,277
Total Expenditures	511,838,447	30,139,384	49,110,177
Excess (Deficiency) of Revenues Over (Under) Expenditures	57,939,982	(11,179,654)	(40,320,487)
Other Financing Sources (Uses):			
Operating Transfers In (Out)	537,546	9,903,212	9,404,908
Transfers From (To) Agency Funds	—	(44,999)	—
Bond Proceeds	—	—	—
Proceeds from Defeasance of Debt	—	—	—
Total Other Financing Sources (Uses)	537,546	9,858,213	9,404,908
Excess (Deficiency) Of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	58,477,528	(1,321,441)	(30,915,579)
Fund Balances/Retained Earnings at July 1, 1987	459,894,464	105,557,521	88,479,016
Fund Balances/Retained Earnings at June 30, 1988	$ 518,371,992	$ 104,236,080	$ 57,563,437

The accompanying notes are an integral part of this financial statement.

Proprietary Fund	Fiduciary Fund		
Enterprise	Expendable Trust	Higher Education	Totals (Memorandum Only)
$ 1,779,958	$ 77,796	$ 30,954,584	$ 58,811,413
21,141,694	—	—	21,141,694
7,448,292	—	—	8,703,697
—	—	—	1,270,527
—	—	—	39,502,825
—	—	—	25,964,129
—	1,538	2,141	72,183
—	14,017	33,792,264	537,260,473
129,004	—	38,990	181,186
30,498,948	93,351	64,787,979	692,908,127
16,316,266	—	42,988,546	78,672,299
—	—	58,432,881	69,012,881
—	—	69,422,091	608,342,785
490,786	—	—	490,786
—	—	192,273	210,773
349,653	—	—	379,040
—	—	8,223,960	30,358,809
—	35,970	30,182	103,243
17,156,705	35,970	179,289,933	787,570,616
13,342,243	57,381	(114,501,954)	(94,662,489)
(19,845,666)	—	—	—
—	156,866	23,804,265	23,916,132
—	—	6,885,000	6,885,000
31,090,000	—	—	31,090,000
11,244,334	156,866	30,689,265	61,891,132
24,586,577	214,247	(83,812,689)	(32,771,357)
20,587,838	1,248,467	401,102,156	1,076,869,462
$ 45,174,415	$ 1,462,714	$ 317,289,467	$1,044,098,105

Notes to the Financial Statements

June 30, 1988

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pursuant to Articles 2 and 6 of Chapter 14 of Title 2.1 of the *Code of Virginia*, the Department of the Treasury receives all funds belonging to or for the use of the Commonwealth and disburses based upon warrants issued by the State Comptroller. In addition, in accordance with various Sections of the *Code of Virginia*, the Department exercises operational control over certain funds over which it has custody. With regard to these funds, the Department receives and disburses in accordance with the specific provisions of law.

The accompanying financial statements are presented to reflect the Department's accounting for receipts and disbursements in accordance with the provisions of the *Code of Virginia* and are not intended to present the financial position or the results of operations of the Commonwealth of Virginia, the Department, or the Funds over which the Department has custody in accordance with generally accepted accounting principles.

A. Basis of Accounting

The accompanying financial statements are presented using the cash basis of accounting, except for interest on investments of the Local Government Investment Pool, an agency fund, and matured interest and principal payable on long-term indebtedness, all of which are accounted for on the modified accrual basis of accounting. Under the cash basis of accounting, revenue is recognized when received in cash and expenditures are recognized at the time disbursements are made. Under the modified accrual basis of accounting, interest on investments is recorded when earned and interest and principal on long-term indebtedness is recorded when due rather than when disbursed by the paying agent to bond holders.

B. Fund Accounting

The accompanying financial statements are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise the fund's assets, liabilities, fund equity, receipts and disbursements, as appropriate on the basis of accounting described above. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Funds over which the Department has full or partial operational control are reported as a Governmental, Proprietary, or Higher Education Fund. Funds over which the Department exercises no control but acts solely as custodian are reported as Fiduciary Funds.

The funds of the Department are grouped, in the financial statements in this report, into the following fund types:

Governmental Funds

Special Revenue Funds — are used to account for the proceeds of specific revenue sources (other than expendable trusts or capital projects) that are legally restricted to expenditures for specified purposes. These funds principally reflect the activity of the State Literary Fund, funds established to account for various transportation initiatives, and the various toll road revenue and reserve maintenance funds.

Debt Service Funds — are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs, other than debt service activity related to institutions of higher education which is accounted for in the Higher Education Fund. These funds reflect the activity of Bond Service, Redemption, and Sinking Funds required by trust agreements relating to individual bond issues.

Capital Projects Funds — are used to account for the proceeds from bonds and associated financial resources to be used for the acquisition or construction of major capital facilities other than those financed by bonds sold by Proprietary Funds and bonds associated with institutions of higher education accounted for in the Higher Education Fund.

Proprietary Funds

Enterprise Fund — accounts for operations that are financed in a manner similar to private business enterprises where the intent is to recover costs through user charges. This fund accounts for the operations of the Virginia Public School Authority which sells bonds to finance the construction of schools by counties and cities. Authority bond proceeds are used to purchase bonds issued by counties and cities who make periodic debt service payments to the Authority.

Fiduciary Funds

Trust and Agency Funds — are used to account for assets held by the Department in its capacity as custodian of State funds, as an agent for State agencies, private organizations, other governmental entities, and/or other funds. These include Expendable Trust and Agency Funds. Expendable Trust Funds account for monies held for various State agencies which are expendable for designated purposes. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency Funds include the General Account of the Commonwealth which is the account principally used to record receipts and disbursements of the General Fund of the Commonwealth, Highway Maintenance and Construction Fund, Federal Trust Fund, and the Department of Alcoholic Beverage Control. Also included in the Agency Funds are the Medicaid Concentration Account; Local Government Investment Pool; fund accounts for the Virginia Supplemental Retirement System, Virginia Public Building Authority, Virginia College Building Authority, and the Center for Innovative Technology among others.

Higher Education Funds

Higher Education Funds — are used to account for the proceeds from the sale of bonds and related resources for capital projects at institutions of higher education and payments received from institutions for debt service and related disbursements for debt service. Operating transactions of institutions of higher education are accounted for through the General Account of the Commonwealth, which is reported as an Agency Fund.

C. "Total" Columns on Combined Financial Statements

The "Total" columns on the combined financial statements are presented only to facilitate financial analysis. Amounts in these columns do not present consolidated financial position, results of operations, or changes in financial position.

2. CASH AND INVESTMENTS

Cash and Cash Equivalents — include demand and time deposits and certificates of deposit with a maturity date of less than one year at fiscal year-end. At fiscal year-end, the carrying value of demand deposits was $173,008,483, and the bank balance was $193,448,579. Of the bank balance, $183,158,480 was covered by federal depository insurance or collateralized in accordance with the Virginia Security for Public Deposits Act. Under the Act, banks holding public deposits (demand deposits, time deposits and certificates of deposit) in excess of the amounts insured by the FDIC must pledge collateral in the amount of 50% of excess deposits to a collateral pool in the name of the State Treasury Board. Savings and loan institutions are required to collateralize 100% of deposits in excess of the FSLIC limits. Of the bank balance, $10,290,099 was uninsured and uncollateralized in banks not fully qualifying under the Act.

Investments — Statutes authorize the Department to invest in obligations of the United States or agencies thereof; obligations of the International Bank for Reconstruction and Development and the Asian Development Bank; commercial paper; banker's acceptances; repurchase agreements; corporate notes; and first lien deeds of trust on residential real property.

Investments consisting of U.S. Government securities totaling $261,828,998 held by various banking institutions in a custodial capacity pursuant to escrow agreements with the Department meet the criteria for inclusion in Risk Category 1. These investments are held in escrow to meet the debt service requirements on defeased debt.

The Department's investments are presented in the following schedule by risk category to give an indication of the level of risk assumed at year-end. Risk Category 1 includes investments that are insured or registered or for which the securities are held by the Department or its safekeeping agent in the Department's name. Risk Category 2 includes uninsured or unregistered investments for which securities are held by the broker's or dealer's trust department or safekeeping agent in the Department's name. There were no investments included in Risk Category 2. Risk Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or safekeeping agent but not in the Department's name.

	Category of Credit Risk			Carrying Amount	Market Value
	1	2	3		
U.S. Government Securities	$ 953,425,255	$ —	$ 9,708,528	$ 963,133,783	$ 960,679,524
Repurchase Agreements	56,205,000	—	359,704,000	415,909,000	415,909,000
Bankers' Acceptances	458,341,619	—	—	458,341,619	458,196,837
Commercial Paper	433,300,154	—	4,976,681	438,276,835	438,200,282
Subtotal	1,901,272,028	—	374,389,209	2,275,661,237	2,272,985,643
Stocks (Richmond, Fredericksburg and Potomac Railroad stock)	94,759,200	—	—	94,759,200	105,288,000
Total	$1,996,031,228	$ —	$ 374,389,209	$2,370,420,437	$2,378,273,643

3. LOANS RECEIVABLE

Loans receivable of the Enterprise Fund, which is comprised of the Virginia Public School Authority (the Authority), are represented by State Literary Fund loan notes. These notes are recorded at carrying value and represent loans to local governments for school construction. Interest rates charged on State Literary Fund loans are established by the State Board of Education subject to the limitations imposed by Section 22.1-150 of the *Code of Virginia* which provides that the rate of interest may not be less than 2% or greater than 6% annually.

Section 22.1-170 provides that State Literary Fund loan notes remain an asset of the Literary Fund (a Special Revenue Fund) but may be used by the Authority as if such assets were the property of the Authority. Accordingly, a liability, due to other funds, in the amount of the loans is reflected in the Enterprise Fund to reflect the obligation to return these notes to the Literary Fund.

4. SECURITIES HELD BY ESCROW AGENT/ ADVANCE REFUNDINGS OF DEBT

A. Advance Refundings Resulting in the Defeasance of Debt

On August 13, 1987, the Virginia Public School Authority issued $35,695,000 in Virginia Public School Authority School Financing Bonds, 1987 Refunding Series A, with a true interest cost of 6.9686% to advance refund $31,090,000 of outstanding 1963 Resolution Bonds (Series 1980A, 1982A, 1982C, 1984A, 1985A). Net proceeds from the sale of the bonds in the amount of $35,196,000 were used to purchase State and Local Government Series obligations and deposited in an irrevocable trust with an escrow agent. These obligations mature in amounts and pay interest at rates sufficient to pay the principal, applicable redemption premiums and interest on the refunded bonds through the respective redemption dates. Each series of refunded bonds will be called on the first allowable redemption date. Principal on the refunded bond series that is not subject to redemption prior to maturity is not provided for in the Escrow Fund but will remain outstanding and payable in accordance with provisions of the 1963 Resolution.

In accordance with the provisions of Statement of Financial Accounting Standards No. 76, refunded bonds totaling $31,090,000 are considered to be extinguished for financial reporting purposes and, therefore, are excluded from the financial statements.

Although the advance refunding of the bonds results in the recognition of a loss of $4,106,039 (the difference between the balance of the refunded issue and net-proceeds from refunding issue), the debt service payments over the next eighteen years will be reduced by $1,602,211, resulting in an economic gain (difference between the present values of the debt service payments on the old and the new debt) of approximately $1,430,561.

B. Defeased Debt

The Commonwealth of Virginia, the Virginia Public School Authority (VPSA), the Medical College of Virginia (MCV) Hospital, and the University of Virginia (UVA) Hospital refunded and defeased in substance the following bond issues by placing existing assets and the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. As of June 30, 1988, the following bond issues are considered defeased:

Issues	Amount
1973 Transportation Facilities Bonds ...	$ 47,000,000
1982 Transportation Facilities Bonds ...	55,750,000
1980 VPSA School Financing Bonds—Series A	9,600,000
1982 VPSA School Financing Bonds—Series A	2,875,000
1982 VPSA School Financing Bonds—Series C	3,400,000
1984 VPSA School Financing Bonds—Series A	8,505,000
1985 VPSA School Financing Bonds—Series A	6,710,000
1983 MCV Hospital Revenue Bonds—Series B	20,320,000
1984 UVA Hospital Revenue Bonds—Series A	40,000,000
1984 UVA Hospital Revenue Bonds—Series B	70,000,000
Total	$264,160,000

C. Summary of Securities Held by Escrow Agents for Defeased Debt

Statement No. 7 of the Governmental Accounting Standards Board, Advance Refundings Resulting in Defeasance of Debt, provides that refunded debt and assets placed in escrow for the payment of related debt service be excluded from the financial statements. However, the Department continues to have custodial responsibility for these assets even though they are held by an escrow agent. The following amounts are held by escrow agents in an irrevocable trust for the payment of debt service on the foregoing defeased issues:

Issues	U.S. Government Securities Held By Escrow Agent
1973 Transportation Facilities Bonds ...	$ 32,645,765
1982 Transportation Facilities Bonds ...	62,993,598
VPSA School Financing Bonds—Series 1980A, 1982A, 1982C, 1984A, 1985A	34,453,925
1983 MCV Hospital Revenue Bonds—Series B	23,597,615
1984 UVA Hospital Revenue Bonds—Series B	108,138,095
Total	$261,828,998

5. SECURITIES PLEDGED AND HELD FOR SAFEKEEPING

The Department acts as trustee for certain investments placed in its custody by State agencies, insurance companies, and other entities. In certain instances, the Department has been given restricted authority to invest a portion of these funds in interest-bearing securities. Securities pledged are reflected at face value. Securities and other investments held for safekeeping are reflected at cost with the exception of the Virginia Soil and Water Conservation Commission which is reflected at carrying value.

6. SURETY BOND

The employees of the Department are covered by a Faithful Performance Blanket Position Bond in the amount of $50,000 for each employee with a deductible clause of $2,500 for each loss and an Excess Faithful Performance Blanket Bond with coverage in the amount of $450,000 for each loss in excess of the coverage provided by the aforementioned bond, both with the Fidelity and Deposit Company of Maryland as surety. In addition, the Treasurer of Virginia is bonded in the amount of $250,000 with the Fidelity and Deposit Company of Maryland as surety.

Combining Balance Sheet— Special Revenue Funds

June 30, 1988

	Commonwealth Airport	Commonwealth Mass Transit	Commonwealth Port	Highway Construction	Literary
Assets:					
Cash and Cash Equivalents	$ 541,556	$ 1,505,313	$ 1,537,437	$ 5,837,560	$ 2,967,569
Loans Receivable	—	—	—	—	63,968,736
Investments	4,535,782	6,913,393	11,444,179	106,921,420	32,054,966
Due from Other Funds	—	—	—	—	253,277,910
Total Assets	$ 5,077,338	$ 8,418,706	$ 12,981,616	$112,758,980	$352,269,181
Fund Balances:					
Reserved For Loans Receivable	$ —	$ —	$ —	$ —	$304,790,982
Unreserved	5,077,338	8,418,706	12,981,616	112,758,980	47,478,199
Total Fund Balances	$ 5,077,338	$ 8,418,706	$ 12,981,616	$112,758,980	$352,269,181

See Notes to the Financial Statements.

Revenue and Reserve Maintenance Funds				
Toll Facilities Revolving	Dulles Series 1987	Elizabeth River Tunnel Toll	Richmond-Petersburg Turnpike	Total
$ 580,483	$ 108,818	$ 4,418	$ 290,676	$ 13,373,830
—	—	—	—	63,968,736
7,602,717	6,968,596	5,134,463	6,176,000	187,751,516
—	—	—	—	253,277,910
$ 8,183,200	$ 7,077,414	$ 5,138,881	$ 6,466,676	$518,371,992
$ —	$ —	$ —	$ —	$304,790,982
8,183,200	7,077,414	5,138,881	6,466,676	213,581,010
$ 8,183,200	$ 7,077,414	$ 5,138,881	$ 6,466,676	$518,371,992

Combining Statement of Revenues, Expenditures and Changes in Fund Balances—Special Revenue Funds

For the Fiscal Year Ended June 30, 1988

	Commonwealth Airport	Commonwealth Mass Transit	Commonwealth Port	Highway Construction	Literary
Revenues:					
Interest On:					
Cash Equivalents and Investments	$ 200,684	$ 541,185	$ 491,802	$ —	$ 3,189,026
Literary Loans	—	—	—	—	1,255,405
Fines and Forfeitures	—	—	—	—	1,270,527
Toll Revenue	—	—	—	—	—
Fines, Forfeitures, Escheats and Penalties	—	—	—	—	25,964,129
Transfers From State Agencies, Universities and Others	9,613,834	34,201,420	17,258,711	427,439,501	—
Miscellaneous Revenue	—	—	—	—	—
Total Revenues	9,814,518	34,742,605	17,750,513	427,439,501	31,679,087
Expenditures:					
Authorized Payments	6,319,828	30,717,238	8,333,688	422,000,000	—
Refunds	—	—	—	—	18,500
Loss on Investments Sold	—	192	—	27,840	—
Transfers To State Agencies, Universities and Others	—	—	—	—	22,134,849
Miscellaneous Expense	—	—	—	—	—
Total Expenditures	6,319,828	30,717,430	8,333,688	422,027,840	22,153,349
Excess of Revenues Over Expenditures	3,494,690	4,025,175	9,416,825	5,411,661	9,525,738
Other Financing Sources (Uses):					
Operating Transfers In and (Out)	—	—	—	—	19,845,666
Total Other Financing Sources (Uses)	—	—	—	—	19,845,666
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	3,494,690	4,025,175	9,416,825	5,411,661	29,371,404
Fund Balances at July 1, 1987	1,582,648	4,393,531	3,564,791	107,347,319	322,897,777
Fund Balances at June 30, 1988	$ 5,077,338	$ 8,418,706	$ 12,981,616	$112,758,980	$352,269,181

See Notes to the Financial Statements.

Toll Facilities Revolving	Revenue and Reserve Maintenance Funds: Dulles Series 1987	Revenue and Reserve Maintenance Funds: Elizabeth River Tunnel Toll	Revenue and Reserve Maintenance Funds: Richmond-Petersburg Turnpike	Total
$ 7,595,148	$ 413,530	$ 306,871	$ 520,639	$ 13,258,885
—	—	—	—	1,255,405
—	—	—	—	1,270,527
—	14,892,913	—	24,609,912	39,502,825
—	—	—	—	25,964,129
—	—	—	—	488,513,466
—	6,452	—	6,740	13,192
7,595,148	15,312,895	306,871	25,137,291	569,778,429
—	6,537,282	115,093	15,620,192	489,643,321
—	—	—	—	18,500
—	—	—	—	28,032
—	—	—	—	22,134,849
—	2,684	—	11,061	13,745
—	6,539,966	115,093	15,631,253	511,838,447
7,595,148	8,772,929	191,778	9,506,038	57,939,982
—	(4,308,120)	—	(15,000,000)	537,546
—	(4,308,120)	—	(15,000,000)	537,546
7,595,148	4,464,809	191,778	(5,493,962)	58,477,528
588,052	2,612,605	4,947,103	11,960,638	459,894,464
$ 8,183,200	$ 7,077,414	$ 5,138,881	$ 6,466,676	$518,371,992

Combining Balance Sheet—
Debt Service Funds

June 30, 1988

	Bond Service and Redemption Funds			
	Dulles Series 1982	Dulles Series 1987	Powhite Parkway	Public Facilitics 1978
Assets:				
Cash and Cash Equivalents	$ —	$ 1,000,938	$ 2,638,944	$ 822
Cash With Paying Agent	3,748,301	—	—	59,620
Investments	—	2,213,198	—	—
Investments In:				
Securities Held by Escrow Agent	62,993,598	—	—	—
Total Assets	$ 66,741,899	$ 3,214,136	$ 2,638,944	$ 60,442
Liabilities:				
Matured Interest Payable	$ 3,748,301	$ —	$ —	$ 59,620
Matured Bonds Payable	—	—	—	—
Total Liabilities	3,748,301	—	—	59,620
Fund Balances:				
Reserved for Debt Service	62,993,598	3,214,136	2,638,944	822
Total Liabilities and Fund Balances	$ 66,741,899	$ 3,214,136	$ 2,638,944	$ 60,442

See Notes to the Financial Statements.

Sinking Funds			
Richmond-Petersburg Turnpike	Virginia Port Toll Revenue 1978	Virginia Port Toll Revenue 1980	Total
$ —	$ 2,700	$ (2,885)	$ 3,640,519
—	13,789	109,449	3,931,159
—	1,299,000	1,444,000	4,956,198
32,645,765	—	—	95,639,363
$ 32,645,765	$ 1,315,489	$ 1,550,564	$108,167,239
$ —	$ 13,789	$ 104,400	$ 3,926,110
—	—	5,049	5,049
—	13,789	109,449	3,931,159
32,645,765	1,301,700	1,441,115	104,236,080
$ 32,645,765	$ 1,315,489	$ 1,550,564	$108,167,239

Combining Statement of Revenues, Expenditures and Changes in Fund Balances—Debt Service Funds

For the Fiscal Year Ended June 30, 1987

	Bond Service and Redemption Funds			
	Dulles Series 1982	Dulles Series 1987	Powhite Parkway	Public Facilities 1978
Revenues:				
Interest on Cash Equivalents and Investments	$ 3,411,925	$ 167,415	$ —	$ 822
Transfers From State Agencies, Universities and Others	—	—	—	9,723,050
Total Revenues	3,411,925	167,415	—	9,723,872
Expenditures:				
Interest Expense	5,078,500	3,052,163	5,277,888	3,248,050
Principal Retirement	750,000	1,500,000	—	6,575,000
Authorized Payments	—	—	—	—
Loss on Investments Sold	—	—	—	—
Miscellaneous Expense	—	—	—	8,822
Total Expenditures	5,828,500	4,552,163	5,277,888	9,831,872
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,416,575)	(4,384,748)	(5,277,888)	(108,000)
Other Financing Sources (Uses):				
Operating Transfers In	—	4,516,503	5,277,887	108,822
Transfers (To) Agency Funds	—	—	(44,999)	—
Total Other Financing Sources (Uses)	—	4,516,503	5,232,888	108,822
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(2,416,575)	131,755	(45,000)	822
Fund Balances at July 1, 1987	65,410,173	3,082,381	2,683,944	—
Fund Balances at June 30, 1988	$ 62,993,598	$ 3,214,136	$ 2,638,944	$ 822

See Notes to the Financial Statements.

Sinking Funds				
General Obligation Bonds 1969	Richmond-Petersburg Turnpike	Virginia Port Toll Revenue 1978	Virginia Port Toll Revenue 1980	Total
$ 5,587	$ 2,237,396	$ 139,525	$ 56,334	$ 6,019,004
376	—	1,104,500	2,112,800	12,940,726
5,963	2,237,396	1,244,025	2,169,134	18,959,730
—	2,232,500	104,500	373,886	19,367,487
—	—	1,000,000	755,000	10,580,000
178,473	—	—	—	178,473
1,355	—	—	—	1,355
—	—	—	3,247	12,069
179,828	2,232,500	1,104,500	1,132,133	30,139,384
(173,865)	4,896	139,525	1,037,001	(11,179,654)
—	—	—	—	9,903,212
—	—	—	—	(44,999)
—	—	—	—	9,858,213
(173,865)	4,896	139,525	1,037,001	(1,321,441)
173,865	32,640,869	1,162,175	404,114	105,557,521
$ —	$ 32,645,765	$ 1,301,700	$ 1,441,115	$104,236,080

Combining Balance Sheet—
Capital Project Funds

June 30, 1988

	Elizabeth River	Powhite Parkway	Public Facilities 1978	Richmond-Petersburg Turnpike	Total
Assets:					
Cash	$ 70,045	$ 261,375	$ 8,820	$ 2,003,998	$ 2,344,238
Accrued Interest Purchased	24,313	—	—	14,993	39,306
Investments	13,203,463	28,661,177	2,075,600	11,239,653	55,179,893
Total Assets	$13,297,821	$28,922,552	$ 2,084,420	$13,258,644	$57,563,437
Fund Balances:					
Reserved for Capital Projects	$13,297,821	$28,922,552	$ 2,084,420	$13,258,644	$57,563,437
Total Fund Balances	$13,297,821	$28,922,552	$ 2,084,420	$13,258,644	$57,563,437

See Notes to the Financial Statements.

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Combining Statement of Revenues, Expenditures and Changes in Fund Balances—Capital Project Funds

For the Fiscal Year Ended June 30, 1988

	Elizabeth River	Powhite Parkway	Public Facilities 1978	Richmond-Petersburg Turnpike
Revenues:				
Interest on Cash Equivalents and Investments	$ 776,796	$ 3,333,073	$ 113,519	$ 2,491,866
Gain On Investments Sold	—	15,471	—	53,033
Transfers From State Agencies, Universities and Others	—	2,000,000	—	—
Total Revenues	776,796	5,348,544	113,519	2,544,899
Expenditures:				
Authorized Payments	110,589	16,074,060	31,015	32,883,236
Miscellaneous Expense	—	11,277	—	—
Total Expenditures	110,589	16,085,337	31,015	32,883,236
Excess (Deficiency) of Revenues Over (Under) Expenditures	666,207	(10,736,793)	82,504	(30,338,337)
Other Financing Sources (Uses):				
Operating Transfers In (Out)	—	(5,277,888)	(108,822)	15,000,000
Total Other Financing Sources (Uses)	—	(5,277,888)	(108,822)	15,000,000
Excess (Deficiency) Of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	666,207	(16,014,681)	(26,318)	(15,338,337)
Fund Balance at July 1, 1987	12,631,614	44,937,233	2,110,738	28,596,981
Fund Balance at June 30, 1988	$13,297,821	$28,922,552	$ 2,084,420	$13,258,644

See Notes to the Financial Statements.

Transportation Facilities 1982	Total
$ 5,932	$ 6,721,186
—	68,504
—	2,000,000
5,932	8,789,690
—	49,098,900
—	11,277
—	49,110,177
5,932	(40,320,487)
(208,382)	9,404,908
(208,382)	9,404,908
(202,450)	(30,915,579)
202,450	88,479,016
$ —	$57,563,437

Combining Balance Sheet—
Expendable Trust Funds

June 30, 1988

	Education	Human Resources	Natural Resources	Total
Assets:				
Cash and Cash Equivalents	$ 132	$ 176,119	$ 620,818	$ 797,069
Accrued Interest Purchased	851	—	—	851
Investments	351,320	309,608	3,866	664,794
Total Assets	$ 352,303	$ 485,727	$ 624,684	$1,462,714
Fund Balances:				
Unreserved	$ 352,303	$ 485,727	$ 624,684	$1,462,714
Total Fund Balances	$ 352,303	$ 485,727	$ 624,684	$1,462,714

See Notes to the Financial Statements.

Combining Statement of Revenues, Expenditures and Changes in Fund Balances—Expendable Trust Funds

For the Fiscal Year Ended June 30, 1988

	Education	Human Resources	Natural Resources	Total
Revenues:				
Interest on Cash Equivalents and Investments	$ 23,551	$ 30,175	$ 24,070	$ 77,796
Gain on Investments Sold	—	1,538	—	1,538
Transfers From State Agencies and Universities	2,081	11,936	—	14,017
Total Revenues	25,632	43,649	24,070	93,351
Expenditures:				
Miscellaneous Expense	15,520	20,450	—	35,970
Total Expenditures	15,520	20,450	—	35,970
Excess of Revenues Over Expenditures	10,112	23,199	24,070	57,381
Other Financing Sources:				
Transfers From Agency Funds	153,259	—	3,607	156,866
Excess of Revenues and Other Financing Sources Over Expenditures	163,371	23,199	27,677	214,247
Fund Balances at July 1, 1987	188,932	462,528	597,007	1,248,467
Fund Balances at June 30, 1988	$ 352,303	$ 485,727	$ 624,684	$1,462,714

See Notes to the Financial Statements.

Combining Balance Sheet— Agency Funds

June 30, 1988

	General Commonwealth Account	Center for Innovative Technology	Department of General Services	Insurance Companies	Local Government Investment Pool
Assets:					
Cash and Cash Equivalents	$ 34,180,249	$ —	$ —	$ —	$ 22,663,751
Interest Receivable	—	—	—	—	858,431
Accrued Interest Purchased	571,742	—	—	—	—
Investments	1,325,237,943	4,830,435	—	1,647,905	127,304,279
Investments in:					
Richmond, Fredericksburg & Potomac Railroad Stock	—	—	—	—	—
Securities Pledged and Held in Safekeeping	—	—	—	153,770,363	—
Securities of Other Agencies Held in Safekeeping	—	—	7,452,888	—	—
Total Assets	$1,359,989,934	$ 4,830,435	$ 7,452,888	$ 155,418,268	$ 150,826,461
Liabilities:					
Funds Held For Others	$1,359,989,934	$ 4,830,435	$ 7,452,888	$ 155,418,268	$ 150,826,461
Total Liabilities	$1,359,989,934	$ 4,830,435	$ 7,452,888	$ 155,418,268	$ 150,826,461

See Notes to the Financial Statements.

Medicaid Concentration	State Penitentiary	Virginia College Building Authority	Virginia Public Building Authority	Virginia Soil and Water Conservation Commission	Virginia Supplemental Retirement System	Total
$ 17,269,807	$ —	$ 52,304	$ 29,643	$ —	$ 26,908,930	$ 101,104,684
—	—	—	—	—	—	858,431
—	—	62,963	—	—	293,589	928,294
—	—	98,723,901	17,897,863	—	289,808,837	1,865,451,163
—	—	—	—	—	94,759,200	94,759,200
—	—	—	—	—	—	153,770,363
—	55,000	—	—	728,169	—	8,236,057
$ 17,269,807	$ 55,000	$ 98,839,168	$ 17,927,506	$ 728,169	$ 411,770,556	$2,225,108,192
$ 17,269,807	$ 55,000	$ 98,839,168	$ 17,927,506	$ 728,169	$ 411,770,556	$2,225,108,192
$ 17,269,807	$ 55,000	$ 98,839,168	$ 17,927,506	$ 728,169	$ 411,770,556	$2,225,108,192

Combining Statement of Changes in Assets and Liabilities— All Agency Funds

For the Fiscal Year Ended June 30, 1988

	Balance July 1, 1987	Additions	Deletions	Balance June 30, 1988
General Commonwealth Account				
Assets:				
Cash, Cash Equivalents, and Investments	$ 1,091,176,260	$12,099,780,623	$11,831,538,691	$ 1,359,418,192
Accrued Interest Purchased	718,474	571,742	718,474	571,742
Total Assets	$ 1,091,894,734	$12,100,352,365	$11,832,257,165	$ 1,359,989,934
Liabilities:				
Funds Held For Others	$ 1,091,894,734	$12,100,352,365	$11,832,257,165	$ 1,359,989,934
Total Liabilities	$ 1,091,894,734	$12,100,352,365	$11,832,257,165	$ 1,359,989,934
Center For Innovative Technology				
Assets:				
Cash, Cash Equivalents, and Investments	$ 19,911,061	$ 28,378,433	$ 43,459,059	$ 4,830,435
Total Assets	$ 19,911,061	$ 28,378,433	$ 43,459,059	$ 4,830,435
Liabilities:				
Funds Held For Others	$ 19,911,061	$ 28,378,433	$ 43,459,059	$ 4,830,435
Total Liabilities	$ 19,911,061	$ 28,378,433	$ 43,459,059	$ 4,830,435
Department of General Services				
Assets:				
Securities of Other Agencies Held in Safekeeping	$ 4,766,514	$ 33,732,379	$ 31,046,005	$ 7,452,888
Total Assets	$ 4,766,514	$ 33,732,379	$ 31,046,005	$ 7,452,888
Liabilities:				
Funds Held for Others	$ 4,766,514	$ 33,732,379	$ 31,046,005	$ 7,452,888
Total Liabilities	$ 4,766,514	$ 33,732,379	$ 31,046,005	$ 7,452,888
Insurance Companies				
Assets:				
Investments	$ —	$ 1,647,905	$ —	$ 1,647,905
Securities Pledged and Held in Safekeeping	137,578,651	58,720,373	42,528,661	153,770,363
Total Assets	$ 137,578,651	$ 60,368,278	$ 42,528,661	$ 155,418,268
Liabilities:				
Funds Held for Others	$ 137,578,651	$ 60,368,278	$ 42,528,661	$ 155,418,268
Total Liabilities	$ 137,578,651	$ 60,368,278	$ 42,528,661	$ 155,418,268
Local Government Investment Pool				
Assets:				
Cash, Cash Equivalents, and Investments	$ 320,929,207	$25,600,079,986	$25,771,041,163	$ 149,968,030
Accrued Interest Purchased	1,185,427	9,228,144	9,555,140	858,431
Total Assets	$ 322,114,634	$25,609,308,130	$25,780,596,303	$ 150,826,461
Liabilities:				
Funds Held for Others	$ 322,114,634	$ 442,852,773	$ 614,140,946	$ 150,826,461
Total Liabilities	$ 322,114,634	$ 442,852,773	$ 614,140,946	$ 150,826,461

Combining Statement of Changes in Assets and Liabilities— All Agency Funds (Continued)

For the Fiscal Year Ended June 30, 1988

	Balance July 1, 1987	Additions	Deletions	Balance June 30, 1988
Medicaid Concentration				
Assets:				
Cash, Cash Equivalents, and Investments	$ 13,605,017	$ 766,900,950	$ 763,236,160	$ 17,269,807
Total Assets	$ 13,605,017	$ 766,900,950	$ 763,236,160	$ 17,269,807
Liabilities:				
Funds Held For Others	$ 13,605,017	$ 766,900,950	$ 763,236,160	$ 17,269,807
Total Liabilities	$ 13,605,017	$ 766,900,950	$ 763,236,160	$ 17,269,807
State Penitentiary				
Assets:				
Accrued Interest Purchased	$ 54	$ —	$ 54	$ —
Securities of Other Agencies Held in Safekeeping	54,983	55,000	54,983	55,000
Total Assets	$ 55,037	$ 55,000	$ 55,037	$ 55,000
Liabilities:				
Funds Held For Others	$ 55,037	$ 55,000	$ 55,037	$ 55,000
Total Liabilities	$ 55,037	$ 55,000	$ 55,037	$ 55,000
Virginia College Building Authority				
Assets:				
Cash, Cash Equivalents, and Investments	$ 118,920,209	$ —	$ 20,144,004	$ 98,776,205
Accrued Interest Purchased	48,592	14,371	—	62,963
Total Assets	$ 118,968,801	$ 14,371	$ 20,144,004	$ 98,839,168
Liabilities:				
Funds Held for Others	$ 118,968,801	$ 14,371	$ 20,144,004	$ 98,839,168
Total Liabilities	$ 118,968,801	$ 14,371	$ 20,144,004	$ 98,839,168
Virginia Public Building Authority				
Assets:				
Cash, Cash Equivalents, and Investments	$ 25,503,072	$ 1,608,817	$ 9,184,383	$ 17,927,506
Total Assets	$ 25,503,072	$ 1,608,817	$ 9,184,383	$ 17,927,506
Liabilities:				
Accrued Interest Sold	$ 472,428	$ —	$ 472,428	$ —
Funds Held for Others	25,030,644	1,608,817	8,711,955	17,927,506
Total Liabilities	$ 25,503,072	$ 1,608,817	$ 9,184,383	$ 17,927,506

See Notes to the Financial Statements.

Combining Statement of Changes in Assets and Liabilities— All Agency Funds (Continued)

For the Fiscal Year Ended June 30, 1988

	Balance July 1, 1987	Additions	Deletions	Balance June 30, 1988
Virgnia Soil and Water Conservation Commission				
Assets:				
Securities of Other Agencies Held in Safekeeping	$ 641,303	$ 125,000	$ 38,134	$ 728,169
Total Assets	$ 641,303	$ 125,000	$ 38,134	$ 728,169
Liabilities:				
Funds Held For Others	$ 641,303	$ 125,000	$ 38,134	$ 728,169
Total Liabilities	$ 641,303	$ 125,000	$ 38,134	$ 728,169
Virginia Supplemental Retirement System				
Assets:				
Cash, Cash Equivalents, and Investments	$ 5,047,102,349	$ 57,434,975	$ 4,693,060,357	$ 411,476,967
Accrued Interest Purchased	1,748,393	1,876,205	3,331,009	293,589
Total Assets	$ 5,048,850,742	$ 59,311,180	$ 4,696,391,366	$ 411,770,556
Liabilities:				
Funds Held For Others	$ 5,048,850,742	$ 59,311,180	$ 4,696,391,366	$ 411,770,556
Total Liabilities	$ 5,048,850,742	$ 59,311,180	$ 4,696,391,366	$ 411,770,556
Total All Agency Funds	$ 6,783,889,566	$38,660,154,903	$43,218,936,277	$ 2,225,108,192

See Notes to the Financial Statements.

Combining Balance Sheet— Higher Education Funds

June 30, 1988

	Unexpended			
		Article X Section 9(d)		
	Article X Section 9(c)	University of Virginia	Virginia Polytechnic Institute and State University	Total Unexpended Plant
Assets:				
Cash and Cash Equivalents	$ 8,076	$ 5,156,161	$15,215,396	$20,379,633
Cash With Paying Agent	—	—	—	—
Accrued Interest Purchased	—	—	—	—
Investments	1,390,000	59,929,008	7,444,475	68,763,483
Investments In:				
Securities Held by Escrow Agent	—	—	—	—
Total Assets	$ 1,398,076	$65,085,169	$22,659,871	$89,143,116
Liabilities:				
Accrued Interest Sold	$ —	$ —	$ —	$ —
Matured Interest Payable	—	—	—	—
Matured Bonds Payable	—	—	—	—
Total Liabilities	—	—	—	—
Fund Balances:				
Unreserved	1,398,076	65,085,169	22,659,871	89,143,116
Total Liabilities and Fund Balances	$ 1,398,076	$65,085,169	$22,659,871	$89,143,116

See Notes to the Financial Statements.

Combining Balance Sheet— Higher Education Funds (Continued)

June 30, 1988

	Retirement of Indebtedness			
		Article X Section 9(d)		
	Article X Section 9(c)	James Madison University	Medical College of Virginia	Norfolk State University
Assets:				
Cash and Cash Equivalents	$ 214,172	$ 563,464	$ 3,172,983	$ 580,683
Cash With Paying Agent	4,537,359	16,345	1,825,924	—
Accrued Interest Purchased	—	—	31,263	—
Investments	1,338,025	—	36,935,572	388,453
Investments In:				
Securities Held by Escrow Agent	—	—	23,597,615	—
Total Assets	$ 6,089,556	$ 579,809	$ 65,563,357	$ 969,136
Liabilities:				
Accrued Interest Sold	$ 28,086	$ —	$ —	$ —
Matured Interest Payable	867,359	1,345	820,924	—
Matured Bonds Payable	3,670,000	15,000	1,005,000	—
Total Liabilities	4,565,445	16,345	1,825,924	—
Fund Balances:				
Unreserved	1,524,111	563,464	63,737,433	969,136
Total Liabilities and Fund Balances	$ 6,089,556	$ 579,809	$ 65,563,357	$ 969,136

See Notes to the Financial Statements.

Retirement of Indebtedness Article X Section 9(d)						
Radford University	University of Virginia	University of Virginia—Clinch Valley College	Virginia Commonwealth University	Virginia Polytechnic Institute and State University	Total Retirement of Indebtedness	Total Plant Funds
$ 1,320,883	$ 3,379,350	$ 27,226	$ 1,164,377	$ 3,852,915	$ 14,276,053	$ 34,655,686
14,079	18,975	878	23,498	12,654	6,449,712	6,449,712
—	—	—	—	124,018	155,281	155,281
246,819	14,535,544	10,000	737,656	27,815,324	82,007,393	150,770,876
—	108,138,095	—	—	—	131,735,710	131,735,710
$ 1,581,781	$126,071,964	$ 38,104	$ 1,925,531	$ 31,804,911	$234,624,149	$323,767,265
$ —	$ —	$ —	$ —	$ —	$ 28,086	$ 28,086
4,079	3,975	878	3,498	12,654	1,714,712	1,714,712
10,000	15,000	—	20,000	—	4,735,000	4,735,000
14,079	18,975	878	23,498	12,654	6,477,798	6,477,798
1,567,702	126,052,989	37,226	1,902,033	31,792,257	228,146,351	317,289,467
$ 1,581,781	$126,071,964	$ 38,104	$ 1,925,531	$ 31,804,911	$234,624,149	$323,767,265

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Combining Statement of Revenues, Expenditures and Changes in Fund Balances—Higher Education Funds

For the Fiscal Year Ended June 30, 1988

	Unexpended				
		Article X Section 9(d)			
	Article X Section 9(c)	Medical College of Virginia	University of Virginia	Virginia Polytechnic Institute and State University	Total Unexpended Plant
Revenues:					
Interest On Cash Equivalents and Investments	$ 102,464	$ 339,434	$ 10,845,059	$ 1,872,337	$ 13,159,294
Gain on Investments Sold	—	—	—	—	—
Transfers From State Agencies, Universities and Others	—	—	—	—	—
Miscellaneous Revenue	—	—	—	—	—
Total Revenues	102,464	339,434	10,845,059	1,872,337	13,159,294
Expenditures:					
Interest Expense	—	—	—	—	—
Principal Retirement	—	—	—	—	—
Authorized Payments	—	91,472	44,213,854	5,723,170	50,028,496
Refunds	19,991	—	—	—	19,991
Transfers to State Agencies, Universities, and Others	8,223,960	—	—	—	8,223,960
Miscellaneous Expense	—	—	—	—	—
Total Expenditures	8,243,951	91,472	44,213,854	5,723,170	58,272,447
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(8,141,487)	247,962	(33,368,795)	(3,850,833)	(45,113,153)
Other Financing Sources (Uses):					
Transfers From (To) Agency Funds	—	(5,252,440)	—	100,000	(5,152,440)
Bond Proceeds	6,885,000	—	—	—	6,885,000
Total Other Financing Sources (Uses)	6,885,000	(5,252,440)	—	100,000	1,732,560
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(1,256,487)	(5,004,478)	(33,368,795)	(3,750,833)	(43,380,593)
Fund Balances at July 1, 1987	2,654,563	5,004,478	98,453,964	26,410,704	132,523,709
Fund Balances at June 30, 1988	$ 1,398,076	$ —	$ 65,085,169	$ 22,659,871	$ 89,143,116

See Notes to the Financial Statements.

Combining Statement of Revenues, Expenditures and Changes in Fund Balances—Higher Education Funds (Continued)

For the Fiscal Year Ended June 30, 1988

	Retirement of Indebtedness			
		Article X Section 9(d)		
	Article X Section 9(c)	James Madison University	Medical College of Virginia	Norfolk State University
Revenues:				
Interest On Cash Equivalents and Investments	$ 167,928	$ 51,123	$ 2,819,121	$ 69,738
Gain on Investments Sold	—	—	—	—
Transfers From State Agencies, Universities and Others	—	—	10,066,295	—
Miscellaneous Revenue	—	—	—	—
Total Revenues	167,928	51,123	12,885,416	69,738
Expenditures:				
Interest Expense	14,289,403	20,158	7,787,926	148,713
Principal Retirement	10,195,000	225,000	3,680,000	217,881
Authorized Payments	—	—	—	—
Refunds	—	—	172,282	—
Tranfers to State Agencies, Universities and Others	—	—	—	—
Miscellaneous Expense	24,643	—	5,539	—
Total Expenditures	24,509,046	245,158	11,645,747	366,594
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(24,341,118)	(194,035)	1,239,669	(296,856)
Other Financing Sources (Uses):				
Transfers From (To) Agency Funds	24,471,554	—	5,252,439	416,335
Bond Proceeds	—	—	—	—
Total Other Financing Sources (Uses)	24,471,554	—	5,252,439	416,335
Excess (Deficiency) Of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	130,436	(194,035)	6,492,108	119,479
Fund Balances at July 1, 1987	1,393,675	757,499	57,245,325	849,657
Fund Balances at June 30, 1988	$ 1,524,111	$ 563,464	$ 63,737,433	$ 969,136

See Notes to the Financial Statements.

Retirement of Indebtedness Article X Section 9(d)						
Radford University	University of Virginia	University of Virginia—Clinch Valley College	Virginia Commonwealth University	Virginia Polytechnic Institute and State University	Total Retirement of Indebtedness	Total Plant Funds
$ 142,227	$ 11,759,817	$ 2,908	$ 195,695	$ 2,586,733	$ 17,795,290	$ 30,954,584
—	—	—	—	2,141	2,141	2,141
—	2,540,349	—	—	21,185,620	33,792,264	33,792,264
—	—	38,990	—	—	38,990	38,990
142,227	14,300,166	41,898	195,695	23,774,494	51,628,685	64,787,979
61,468	18,321,059	24,830	53,640	2,281,349	42,988,546	42,988,546
425,000	41,940,000	10,000	560,000	1,180,000	58,432,881	58,432,881
—	—	—	—	19,393,595	19,393,595	69,422,091
—	—	—	—	—	172,282	192,273
—	—	—	—	—	—	8,223,960
—	—	—	—	—	30,182	30,182
486,468	60,261,059	34,830	613,640	22,854,944	121,017,486	179,289,933
(344,241)	(45,960,893)	7,068	(417,945)	919,550	(69,388,801)	(114,501,954)
—	—	—	—	(1,183,623)	28,956,705	23,804,265
—	—	—	—	—	—	6,885,000
—	—	—	—	(1,183,623)	28,956,705	30,689,265
(344,241)	(45,960,893)	7,068	(417,945)	(264,073)	(40,432,096)	(83,812,689)
1,911,943	172,013,882	30,158	2,319,978	32,056,330	268,578,447	401,102,156
$ 1,567,702	$126,052,989	$ 37,226	$ 1,902,033	$ 31,792,257	$228,146,351	$317,289,467

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STATISTICAL SECTION

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Outstanding General Obligation Debt of the Commonwealth of Virginia

June 30, 1987 and 1988
(Dollars in Thousands)

	Amount Issued	Outstanding June 30, 1987	Outstanding June 30, 1988
Section 9(b) Debt:			
Public Facilities Bonds:			
Series 1978	$125,000	$ 72,325	$ 65,750
Section 9(c) Debt:			
Higher Educational Institutions Bonds:			
Series 1971	23,450	8,600	7,000
Series 1973	20,915	7,795	6,705
Series 1976	19,555	11,330	10,325
Series 1979	15,035	11,275	10,670
Series 1981	4,932	4,262	4,137
Series 1982	12,820	10,890	10,420
Series 1983	68,201	61,270	59,205
Series 1984	31,955	29,760	28,895
Series 1985	24,690	23,590	22,990
Series 1986	41,130	39,565	37,795
Series 1988	6,885	—	6,885
Transportation Facilities Bonds:			
Series 1986	78,000	78,000	78,000
Series 1987	57,100	57,100	55,600
Total Section 9(c) Debt	404,668	343,437	338,627
Total General Obligation Indebtedness	$529,668	$415,762	$404,377

Note:
The outstanding indebtedness excludes $47,000,000 Transportation Facilities Bonds, Series 1973, for which payment has been provided by the deposit to an irrevocable escrow fund of U.S. Treasury securities in an amount sufficient to retire those bonds at their maturity.

Principal of Outstanding Debt of the Commonwealth of Virginia, Past Five Years

June 30, 1984-1988
(Dollars in Thousands)

	1984	1985	1986	1987	1988
Long Term Indebtedness:					
Section 9(b) Debt	$ 92,050	$ 85,475	$ 78,900	$ 72,325	$ 65,750
Section 9(c) Debt	270,087	241,217	274,912	343,437	338,627
Short Term Indebtedness:					
Section 9(a) Debt	1,000	500	—	—	—
Long Term Building Leases	111,172	108,802	106,250	125,587	121,380
Total Debt	$474,309	$435,994	$460,062	$541,349	$525,757

Annual Debt Service Requirements— All General Obligation Bonds of the Commonwealth of Virginia

June 30, 1988
(Dollars in Thousands)

Year Ending June 30:	General Fund Supported (1)			Revenue Supported (2)			Total Outstanding		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
1989	$ 6,575	$ 2,952	$ 9,527	$ 12,815	$ 22,405	$ 35,220	$ 19,390	$ 25,358	$ 44,748
1990	6,575	2,653	9,228	13,395	21,642	35,037	19,970	24,295	44,265
1991	6,575	2,351	8,926	14,350	20,824	35,174	20,925	23,175	44,100
1992	6,575	2,048	8,623	16,675	19,907	36,582	23,250	21,955	45,205
1993	6,575	1,742	8,317	15,710	18,918	34,628	22,285	20,661	42,946
1994	6,575	1,432	8,007	16,145	17,956	34,101	22,720	19,387	42,107
1995	6,575	1,118	7,693	16,370	16,932	33,302	22,945	18,050	40,995
1996	6,575	802	7,377	17,325	15,853	33,178	23,900	16,655	40,555
1997	6,575	483	7,058	17,125	14,684	31,809	23,700	15,167	38,867
1998	6,575	161	6,736	17,850	13,491	31,341	24,425	13,652	38,077
1999	—	—	—	18,160	12,218	30,378	18,160	12,218	30,378
2000	—	—	—	18,625	10,893	29,518	18,625	10,893	29,518
2001	—	—	—	20,130	9,501	29,631	20,130	9,501	29,631
2002	—	—	—	18,725	8,031	26,756	18,725	8,031	26,756
2003	—	—	—	16,395	6,653	23,048	16,395	6,653	23,048
2004	—	—	—	15,280	5,468	20,748	15,280	5,468	20,748
2005	—	—	—	13,060	4,451	17,511	13,060	4,451	17,511
2006	—	—	—	11,340	3,585	14,925	11,340	3,585	14,925
2007	—	—	—	10,165	2,869	13,034	10,165	2,869	13,034
2008	—	—	—	10,400	2,220	12,620	10,400	2,220	12,620
2009	—	—	—	6,510	1,664	8,174	6,510	1,664	8,174
2010	—	—	—	6,770	1,229	7,999	6,770	1,229	7,999
2011	—	—	—	7,247	770	8,017	7,247	770	8,017
2012	—	—	—	7,495	276	7,771	7,495	276	7,771
2013	—	—	—	565	17	582	565	17	582
	$ 65,750	$ 15,742	$ 81,492	$338,627	$252,457	$591,084	$404,377	$268,200	$672,577

Notes:
(1) All obligations issued pursuant to Article X, Section 9(b).
(2) All obligations issued pursuant to Article X, Section 9(c), excludes $47,000,000 Transportation Facilities Bonds that have been defeased.

Constitutional Debt Limit For General Obligation Debt— Section 9(b) and Section 9(c)

Fiscal Years Ended June 30
(Dollars in Thousands)

Calculation:	1986	1987	1988
Individual and Fiduciary Income Tax	$2,174,271	$2,445,817	$2,757,869
Corporation Income Tax	280,768	318,757	336,131
State Retail Sales and Use Tax	1,023,048	1,105,718	1,192,101
Total	$3,478,087	$3,870,292	$4,286,101
Average for the three fiscal years			$3,878,160
Debt Limit (1.15 times average)			$4,459,884
Unused Capacity:			
Section 9(b) Debt Limit			$4,459,884
Outstanding Section 9(b) Debt			65,750
Unused Capacity for Section 9(b) Debt			$4,394,134
Section 9(c) Debt Limit			$4,459,884
Outstanding Section 9(c) Debt (1)			338,627
Unused Capacity for Section 9(c) Debt			$4,121,257

Source:
Virginia Department of Accounts

Note:
(1) As of June 30, 1988 there remained the following authorized and unissued 9(c) bonds:

Higher Educational Institutions Bonds:

1983	*$ 800*
1986	*25,590*
1987	*18,000*
1988	*15,521*

Higher Educational Institutions Refunding Bonds:

1986	*$13,775*
1987	*29,065*

Debt of State Agencies, Authorities and Institutions Not Backed by the Full Faith and Credit of Virginia

June 30, 1987 and 1988
(Dollars in Thousands)

	1987	1988
State Agency Debt:		
Institutions of Higher Education:		
Auxiliary Enterprise Revenue Bonds	$ 22,891	$ 19,833
Teaching Hospital Revenue Bonds:		
VCU-MCV	98,980	95,300
UVA	127,587	127,587
Total Higher Education Debt	249,458	242,720
Department of Transportation:		
Toll Road Revenue Bonds	17,690	11,430
Total Agency Debt (1)	$ 267,148	$ 254,150
State Authority Debt:		
Virginia Agricultural Development Authority	$ 1,282	$ 1,202
Virginia College Building Authority	154,853	149,270
Virginia Education Loan Authority	490,292	432,050
Virginia Housing Development Authority	2,606,743	2,784,410
Virginia Port Authority (2)	60,385	158,529
Virginia Public Building Authority	122,790	121,380
Virginia Public School Authority	256,110	408,380
Virginia Resources Authority	159,115	154,655
Total Authority Debt (3)	$3,851,570	4,209,876

Notes:

(1) Does not include Bond Anticipation or Collateral Notes.

(2) Includes lease-purchase obligations.

(3) Total Authority Debt does not include the Virginia Small Business Financing Authority. Pursuant to Section 9-221 of the Code of Virginia, bonds issued by the Authority do not constitute a debt, liability or general obligation of the Commonwealth, and are payable solely as provided by the Authority. As of June 30, 1988, the amount of bond issuances outstanding was $112,887,850.

Public Facilities Bonds, Higher Educational Institutions Bonds and Transportation Facilities Bonds— Detail of Long Term Indebtedness

June 30, 1988
(Dollars in Thousands)

Series and Date of Sale	Amount Issued	Interest Rates	Outstanding July 1, 1987	Issued (Retired) During Year	Outstanding June 30, 1988	Maturity
Public Facilities Bonds:						
Series 1978, 12-13-77	$125,000	4.50%	$ 13,150	$ (6,575)	$ 6,575	08-01-88
		4.60	19,725	—	19,725	08-01-89/91
		4.70	6,575	—	6,575	08-01-92
		4.75	6,575	—	6,575	08-01-93
		4.80	13,150	—	13,150	08-01-94/95
		4.90	13,150	—	13,150	08-01-96/97
Subtotal	125,000		72,325	(6,575)	65,750	
Higher Educational Institutions Bonds:						
Series 1971, 11-16-71	23,450	4.50	5,000	(1,600)	3,400	06-01-88/90
		4.00	3,600	—	3,600	06-01-91/92
Series 1973, 07-17-73	20,915	4.90	2,220	(1,090)	1,130	02-01-89
		5.00	3,750	—	3,750	02-01-90/92
		3.50	1,825	—	1,825	02-01-93/94
Series 1976, 06-03-76	19,555	5.25	11,330	(1,005)	10,325	06-01-89/96
Series 1979 A and B, 06-12-79	11,340	5.25	8,200	(505)	7,695	06-01-89/99
Series 1979 C, 06-30-80	3,695	3.00	3,075	(100)	2,975	06-01-89/09
Series 1981, 11-17-81	4,932	3.00	4,262	(125)	4,137	06-01-89/11
Series 1982 A and B, 01-27-82	12,820	12.00	2,770	(470)	2,300	06-01-89/92
		11.00	1,400	—	1,400	06-01-93/94
		11.10	725	—	725	06-01-95
		11.30	775	—	775	06-01-96
		11.40	850	—	850	06-01-97
		11.50	925	—	925	06-01-98
		11.60	2,150	—	2,150	06-01-99/00
		8.00	1,295	—	1,295	06-01-01
Series 1983 A, B and C, 03-16-83	11,186	3.00	10,205	(265)	9,940	06-01-89/13
Series 1983 D, E, F and G, 03-16-83	57,015	7.25	8,125	(1,800)	6,325	06-01-89/91
		7.30	2,475	—	2,475	06-01-92
		7.40	2,650	—	2,650	06-01-93
		7.60	2,875	—	2,875	06-01-94
		7.75	3,100	—	3,100	06-01-95
		7.90	3,325	—	3,325	06-01-96
		8.00	3,600	—	3,600	06-01-97
		8.10	3,900	—	3,900	06-01-98
		8.20	4,200	—	4,200	06-01-99
		8.25	4,530	—	4,530	06-01-00
		8.30	12,285	—	12,285	06-01-01/03
Series 1984 A, 04-24-84	2,890	3.00	2,555	(115)	2,440	06-01-89/04

Public Facilities Bonds, Higher Educational Institutions Bonds and Transportation Facilities Bonds— Detail of Long Term Indebtedness (Continued)

June 30, 1988
(Dollars in Thousands)

Series and Date of Sale	Amount Issued	Interest Rates	Outstanding July 1, 1987	Issued (Retired) During Year	Outstanding June 30, 1988	Maturity
Series 1984 B and C, 04-25-84	$ 29,065	12.25%	$ 3,375	$ (750)	$ 2,625	06-01-89/91
		8.00	1,050	—	1,050	06-01-92
		8.25	1,125	—	1,125	06-01-93
		8.50	1,250	—	1,250	06-01-94
		8.60	1,350	—	1,350	06-01-95
		8.80	1,475	—	1,475	06-01-96
		9.00	1,600	—	1,600	06-01-97
		9.10	1,725	—	1,725	06-01-98
		9.20	1,900	—	1,900	06-01-99
		9.25	9,455	—	9,455	06-01-00/03
		7.00	2,900	—	2,900	06-01-04
Series 1985, 05-15-85	24,690	7.60	6,525	(600)	5,925	06-01-89/95
		7.70	2,425	—	2,425	06-01-96/97
		7.80	1,375	—	1,375	06-01-98
		7.90	1,475	—	1,475	06-01-99
		8.00	11,790	—	11,790	06-01-00/05
Series 1986 A, 04-23-86	16,480	5.80	3,855	(455)	3,400	06-01-89/94
		5.90	700	—	700	06-01-95
		6.00	755	—	755	06-01-96
		6.10	800	—	800	06-01-97
		6.20	850	—	850	06-01-98
		6.30	1,875	—	1,875	06-01-99/00
		6.40	2,130	—	2,130	06-01-01/02
		6.50	5,170	—	5,170	06-01-03/06
Series 1986 B, 04-23-86	24,650	5.00	4,165	(1,315)	2,850	06-01-89/90
		5.25	1,565	—	1,565	06-01-91
		5.40	1,665	—	1,665	06-01-92
		5.50	1,765	—	1,765	06-01-93
		5.70	1,895	—	1,895	06-01-94
		5.80	2,000	—	2,000	06-01-95
		6.00	2,135	—	2,135	06-01-96
		6.10	2,280	—	2,280	06-01-97
		6.20	1,995	—	1,995	06-01-98
		6.30	1,245	—	1,245	06-01-99
		6.40	2,720	—	2,720	06-01-00/01
Series 1988 A, 06-22-88	6,885	6.75	—	2,170	2,170	06-10-89/95
		7.00	—	2,260	2,260	06-01-96/02
		7.10	—	415	415	06-01-03
		7.20	—	1,135	1,135	06-01-04/06
		7.25	—	905	905	06-01-07/08
Subtotal	269,568		208,337	(3,310)	205,027	

Public Facilities Bonds, Higher Educational Institutions Bonds and Transportation Facilities Bonds— Detail of Long Term Indebtedness (Continued)

June 30, 1988
(Dollars in Thousands)

Series and Date of Sale	Amount Issued	Interest Rates	Outstanding July 1, 1987	Issued (Retired) During Year	Outstanding June 30, 1988	Maturity
Transportation Facilities Bonds (1):						
Series 1986, 08-01-86	$ 78,000	5.60%	$ 1,625	$ —	$ 1,625	07-01-91
		5.90	1,750	—	1,750	07-01-92
		6.10	1,900	—	1,900	07-01-93
		6.25	2,050	—	2,050	07-01-94
		6.40	2,200	—	2,200	07-01-95
		6.50	2,350	—	2,350	07-01-96
		6.60	2,550	—	2,550	07-01-97
		6.70	2,725	—	2,725	07-01-98
		6.75	25,725	—	25,725	07-01-99/05
		7.00	35,125	—	35,125	07-01-11
Series 1987, 02-01-87	57,100	3.30	1,500	(1,500)	—	12-01-87
		3.70	1,700	—	1,700	12-01-88
		3.90	1,640	—	1,640	12-01-89
		4.10	1,825	—	1,825	12-01-90
		4.30	1,800	—	1,800	12-01-91
		4.50	1,945	—	1,945	12-01-92
		4.75	2,010	—	2,010	12-01-93
		5.00	2,120	—	2,120	12-01-94
		5.10	2,320	—	2,320	12-01-95
		5.25	2,505	—	2,505	12-01-96
		5.30	2,535	—	2,535	12-01-97
		5.50	2,750	—	2,750	12-01-98
		5.60	2,910	—	2,910	12-01-99
		5.70	3,105	—	3,105	12-01-00
		5.80	3,290	—	3,290	12-01-01
		5.90	3,420	—	3,420	12-01-02
		6.00	11,880	—	11,880	12-01-03/05
		6.10	7,845	—	7,845	12-01-06/07
Subtotal	135,100		135,100	(1,500)	133,600	
Total	$529,668		$415,762	$(11,385)	$404,377	

Note:
(1) The Department of the Treasury used $30,202,434 to purchase U.S. Government Securities sufficient to fully provide the timely payment of the $47,000,000 Transportation Facilities Bonds, Series 1973, of the Richmond-Petersburg Turnpike which will mature on June 1, 1993.

Higher Educational Institutions Bonds— Detail of Long Term Indebtedness by Institution

June 30, 1988
(Dollars in Thousands)

Series and Date of Sale	Amount Issued	Outstanding July 1, 1987	Issued (Retired) During Year	Outstanding June 30, 1988	Maturity
Detail for Higher Educational Institutions Bonds, 9(c):					
Series 1971					
Longwood College:					
Dormitory	$ 4,250	$ 1,375	$ (275)	$ 1,100	06-01-89/92
James Madison University:					
Physical Education Building	3,455	1,377	(254)	1,123	06-01-89/92
Student Activities Building	1,645	655	(121)	534	06-01-89/92
Dormitory	4,700	1,873	(345)	1,528	06-01-89/92
University of Virginia:					
Parking Garage	200	83	(13)	70	06-01-89/92
Dormitory	600	211	(36)	175	06-01-89/92
Virginia Polytechnic Institute and State University:					
Dormitory	3,650	1,320	(230)	1,090	06-01-89/92
College of William and Mary:					
Dormitory	2,800	965	(185)	780	06-01-89/92
Physical Education Building	2,150	741	(141)	600	06-01-89/92
Subtotal	23,450	8,600	(1600)	7,000	
Series 1973					
George Mason University:					
Student Union Building	1,670	635	(110)	525	02-01-89/94
Christopher Newport College:					
Campus Center	915	410	(60)	350	02-01-89/94
Longwood College:					
Dining Hall	400	145	(25)	120	02-01-89/94
James Madison University:					
Dining Hall	810	355	(50)	305	02-01-89/94
Reed Infirmary	310	150	(20)	130	02-01-89/94
Dormitory	2,735	1,300	(160)	1,140	02-01-89/94
Norfolk State University:					
Cafeteria and Dining Hall	665	290	(45)	245	02-01-89/94
Radford University:					
Student Activities Building	2,075	990	(125)	865	02-01-89/94
Old Dominion University:					
Dormitory	3,640	1,470	(230)	1,240	02-01-89/94
University of Virginia:					
Dining Hall	950	405	(60)	345	02-01-89/94
Student Apartments	1,200	560	(70)	490	02-01-89/94
Dormitory	1,750	815	(100)	715	02-01-89/94
Judge Advocate General School	3,100	—	—	—	
Virginia Military Institue:					
Lejeune and Crozet Halls	125	—	—	—	
College of William and Mary:					
Infirmary Building	570	270	(35)	235	02-01-89/94
Subtotal	20,915	7,795	(1,090)	6,705	

Higher Educational Institutions Bonds—
Detail of Long Term Indebtedness by Institution (Continued)

June 30, 1988
(Dollars in Thousands)

Series and Date of Sale	Amount Issued	Outstanding July 1, 1987	Issued (Retired) During Year	Outstanding June 30, 1988	Maturity
Series 1976					
George Mason University:					
Student Union Building	$ 1,600	$ 1,150	$ (55)	$ 1,095	06-01-89/96
James Madison University:					
Dormitory	2,550	1,425	(130)	1,295	06-01-89/96
Outdoor Recreational Athletic Facilities	750	410	(40)	370	06-01-89/96
University of Virginia:					
Lambeth Field Housing	5,200	2,815	(285)	2,530	06-01-89/96
Virginia Commonwealth University:					
Parking Facilities	4,900	2,845	(255)	2,590	06-01-89/96
Virginia Polytechnic Institute and State University:					
Bookstore	1,200	690	(60)	630	06-01-89/96
Virginia State University:					
Renovation and Dining Hall	355	210	(20)	190	06-01-89/96
College of William and Mary:					
Renovation of Dormitories	3,000	1,785	(160)	1,625	06-01-89/96
Subtotal	19,555	11,330	(1,005)	10,325	
Series 1979					
George Mason University:					
Student Housing	4,100	2,985	(180)	2,805	06-01-89/99
James Madison University:					
Dormitory Complex	875	625	(40)	585	06-01-89/99
Dormitory Complex	3,695	3,075	(100)	2,975	06-01-89/99
Theatre Addition to Warren Center	1,300	920	(60)	860	06-01-89/99
Christopher Newport College:					
Tennis Courts	70	20	(10)	10	06-01-89/99
Norfolk State University:					
Student Housing	1,640	1,200	(70)	1,130	06-01-89/99
Old Dominion University:					
Addition to Student Center	2,000	1,450	(90)	1,360	06-01-89/99
University of Virginia:					
Executive Center Housing	715	515	(30)	485	06-01-89/99
Copley Hall-Graduate Housing	640	485	(25)	460	06-01-89/99
Subtotal	15,035	11,275	(605)	10,670	
Series 1981					
Virginia Commonwealth University:					
Low Rise Dormitory	4,932	4,262	(125)	4,137	06-01-88/11
Subtotal	4,932	4,262	(125)	4,137	

Higher Educational Institutions Bonds—
Detail of Long Term Indebtedness by Institution (Continued)

June 30, 1988
(Dollars in Thousands)

Series and Date of Sale	Amount Issued	Outstanding July 1, 1987	Issued (Retired) During Year	Outstanding June 30, 1988	Maturity
Series 1982					
Longwood College:					
Athletic Fields	$ 100	$ 65	$ (10)	$ 55	06-01-89/92
Physical Education Building	630	540	(20)	520	06-01-89/01
Mary Washington College:					
Willard Hall Renovation	1,570	1,400	(45)	1,355	06-01-89/01
Old Dominion University:					
Powhatan Field Apartments	2,005	1,790	(50)	1,740	06-01-89/01
University of Virginia:					
Medical Center Parking	1,850	1,645	(50)	1,595	06-01-89/01
Food Service Building	850	755	(25)	730	06-01-89/01
Virginia Commonwealth University:					
Ramp to Parking Deck	610	435	(55)	380	06-01-89/94
Low Rise Dormitory	505	435	(15)	420	06-01-89/01
College of William and Mary:					
Randolph Residence	3,500	2,850	(150)	2,700	06-01-89/01
Cary Field Renovation	1,200	975	(50)	925	06-01-89/01
Subtotal	12,820	10,890	(470)	10,420	
Series 1983					
George Mason University:					
Field House	4,905	4,375	(160)	4,215	06-01-89/02
Residence Halls	7,950	7,080	(250)	6,830	06-01-89/02
University Union	6,750	6,020	(225)	5,795	06-01-89/02
James Madison University:					
Convocation Center	7,000	6,315	(210)	6,105	06-01-89/03
Longwood College:					
Dining Hall Renovation	115	95	(5)	90	06-01-89/98
French Dormitory Renovation	690	620	(25)	595	06-01-89/02
Old Dominion University:					
Powhatan Field Apartments Phase II	560	500	(20)	480	06-01-89/02
Mid-Rise Dormitory	6,000	5,410	(175)	5,235	06-01-89/03
Gresham Dormitory Renovation	1,210	1,095	(35)	1,060	06-01-89/03
Powhatan Field Apartments Phase II	3,636	3,315	(85)	3,230	06-01-89/13
Mid-Rise Dormitory	3,500	3,195	(85)	3,110	06-01-89/13
Radford University:					
Recreation and Convocation Center	3,500	3,120	(115)	3,005	06-01-89/02
University of Virginia:					
Clinch Valley College Student Union	585	525	(20)	505	06-01-89/02
Newcomb Hall Additions	2,800	2,525	(80)	2,445	06-01-89/03
Student Housing	5,000	4,510	(150)	4,360	06-01-89/03
Virginia Commonwealth University:					
Academic Campus Parking Deck	4,600	4,100	(150)	3,950	06-01-89/02
Medical College Gymnasium	850	760	(30)	730	06-01-89/02
Low Rise Dormitory	4,050	3,695	(95)	3,600	06-01-89/13
Virginia Military Institute:					
Auditorium and Athletic Facility	4,500	4,015	(150)	3,865	06-01-89/02
Subtotal	68,201	61,270	(2,065)	59,205	

Higher Educational Institutions Bonds— Detail of Long Term Indebtedness by Institution (Continued)

June 30, 1988
(Dollars in Thousands)

Series and Date of Sale	Amount Issued	Outstanding July 1, 1987	Issued (Retired) During Year	Outstanding June 30, 1988	Maturity
Series 1984					
Christopher Newport College:					
Athletic Track	$ 365	$ 340	$ (10)	$ 330	06-01-89/04
Campus Center	2,215	2,075	(60)	2,015	06-01-89/04
George Mason University:					
Parking Lot VIII	840	785	(20)	765	06-01-89/04
James Madison University:					
210 Bed Dormitory	2,480	2,315	(65)	2,250	06-01-89/04
138 Bed Dormitory	2,060	1,930	(55)	1,875	06-01-89/04
Football Stadium Seating	2,300	2,155	(60)	2,095	06-01-89/04
Longwood College:					
Main and North Cunningham Renovation	735	690	(20)	670	06-01-89/04
Norfolk State University:					
Health and ROTC Building	2,400	2,250	(65)	2,185	06-01-89/04
Old Dominion University:					
Rogers Hall Renovation	1,510	1,410	(35)	1,375	06-01-89/04
Life Sciences Building Parking	1,350	1,265	(35)	1,230	06-01-89/04
Athletic Facilities Renovation	4,000	3,745	(95)	3,650	06-01-89/04
University of Virginia:					
Clinch Valley Housing	515	485	(10)	475	06-01-89/04
Virginia Commonwealth University:					
Student Commons	6,875	6,430	(185)	6,245	06-01-89/04
Low Rise Dormitory Phase II	1,420	1,330	(35)	1,295	06-01-89/04
Dormitory Renovation	2,890	2,555	(115)	2,440	06-01-89/04
Subtotal	31,955	29,760	(865)	28,895	
Series 1985					
George Mason University:					
Parking Lot IX	840	800	(20)	780	06-01-89/05
Residence Halls II, Phase II	2,000	1,910	(45)	1,865	06-01-89/05
Physical Education, Phase III	12,750	12,175	(315)	11,860	06-01-89/05
James Madison University:					
Warren Campus Center Addition	3,350	3,205	(80)	3,125	06-01-89/05
University of Virginia:					
Observatory Dining Hall Addition	870	835	(20)	815	06-01-89/05
Sponsor's Hall Addition	1,820	1,740	(45)	1,695	06-01-89/05
Student Activity Building	560	535	(15)	520	06-01-89/05
Virginia Commonwealth University:					
Parking Deck E	2,500	2,390	(60)	2,330	06-01-89/05
Subtotal	24,690	23,590	(600)	22,990	

Higher Educational Institutions Bonds— Detail of Long Term Indebtedness by Institution (Continued)

June 30, 1988
(Dollars in Thousands)

Series and Date of Sale	Amount Issued	Outstanding July 1, 1987	Issued (Retired) During Year	Outstanding June 30, 1988	Maturity
Series 1986					
George Mason University:					
Parking Lot #10	$ 525	$ 510	$ (15)	$ 495	06-01-89/06
Security/Information Building	305	295	(10)	285	06-01-89/06
Residence Halls II, Phase II	6,030	5,875	(165)	5,710	06-01-89/06
James Madison University:					
Telecommunications	3,850	3,690	(170)	3,520	06-01-89/01
Mary Washington College:					
Student Activity Center	3,000	3,000	(85)	2,915	06-01-89/06
Radford University:					
Norwood Hall Renovations	1,620	1,580	(45)	1,535	06-01-89/06
Virginia Polytechnic Institute and State University:					
Special Purpose Housing and Dorms	7,900	7,570	(355)	7,215	06-01-89/01
University of Virginia:					
Stadium Road Housing	10,400	9,775	(675)	9,100	06-01-89/98
North Grounds Recreation Center	2,500	2,395	(115)	2,280	06-01-89/01
Hospital Parking Garage	5,000	4,870	(140)	4,730	06-01-89/06
Subtotal	41,130	39,560	(1,775)	37,785	
Series 1988					
James Madison Univeristy:					
Student Residence Hall	3,760	—	3,760	3,760	06-01-89/08
Mary Washington College:					
33 Bed Residence Hall	750	—	750	750	06-01-89/93
Old Dominion University:					
43rd & Hampton	400	—	400	400	06-01-89/08
University of Virginia:					
Clinch Valley Student Housing	875	—	875	875	06-01-89/03
College of William and Mary:					
Tyler Hall Renovation	1,100	—	1,100	1,100	06-01-89/08
Subtotal	6,885	—	6,885	6,885	
Total	$269,568	$208,331	$(3,314)	$205,017	

Higher Educational Institutions Auxiliary Enterprise Revenue Bonds— Detail of Long Term Indebtedness by Institution

June 30, 1988
(Dollars in Thousands)

Series and Date of Sale	Amount Issued	Interest Rates	Outstanding July 1, 1987	Issued (Retired) During Year	Outstanding June 30, 1988	Maturity
James Madison University:						
Dormitory-1963	$ 410	3.30%	$ 50	$ (25)	$ 25	09-01-88
Dormitory-1965	1,100	3.60	115	(65)	50	05-01-89
Dormitory-1967	1,720	4.00	335	(105)	230	03-15-89/90
Dormitory-1968	1,000	4.60	30	(30)	—	03-15-88
Norfolk State University:						
Dormitory-1968	2,500	4.90	760	(155)	605	04-01-89/92
Dormitory-1982	3,881	3.00	3,731	(63)	3,668	12-01-88/21
Radford University:						
Dormitory and Dining Hall-1968	5,995	4.75 to 4.80	1,285	(425)	860	05-15-88/90
University of Virginia:						
Dormitory-1962	3,000	3.50	725	(140)	585	06-15-89/92
Student Apartments-1962	1,200	3.30	70	(70)	—	10-01-87
Student Apartments & Dormitory-1965	4,100	3.60	710	(230)	480	05-01-89/90
Clinch Valley Dormitory-1973	500	5.50 to 7.50	430	(10)	420	05-01-89/11
Virginia Commonwealth University General Academic Division:						
Dormitory-1965	4,630	3.60	725	(280)	445	05-01-89/90
Medical College of Virginia Health Sciences Divisions:						
Clinical Center-1965	3,000	3.60	495	(185)	310	05-01-89/90
Dormitory-1965	1,600	3.60	270	(95)	175	05-01-89/90
Virginia Polytechnic Institute and State University:						
Dormitory & Dining Hall-1965	9,600	3.60	2,145	(690)	1,455	05-01-89/90
Dormitory & Dining Hall-1968	8,600	4.80	5,455	(265)	5,190	05-01-89/94
Student Center-1968	2,500	3.00 to 4.85	1,010	(125)	885	05-01-89/94
Dormitory & Dining Hall-1984	4,850	9.00	4,550	(100)	4,450	06-01-89/04
Total	$60,186		$22,891	$(3,058)	$19,833	

Higher Educational Institutions Teaching Hospital Revenue Bonds— Detail of Long Term Indebtedness (1)

June 30, 1988
(Dollars in Thousands)

Series and Date of Sale	Amount Issued	Interest Rates	Outstanding July 1, 1987	Issued (Retired) During Year	Outstanding June 30, 1988	Maturity
Virginia Commonwealth University:						
Medical College of Virginia Hospital Revenue Bonds,						
Series A, 09-30-77	$ 64,000	4.90%	$ 1,650	$(1,650)	$ —	07-01-87
		5.00	1,730	—	1,730	07-01-88
		5.10	1,815	—	1,815	07-01-89
		5.20	1,910	—	1,910	07-01-90
		5.30	2,010	—	2,010	07-01-91
		5.40	2,115	—	2,115	07-01-92
		5.45	2,230	—	2,230	07-01-93
		5.55	2,350	—	2,350	07-01-94
		5.65	2,480	—	2,480	07-01-95
		5.70	2,620	—	2,620	07-01-96
		5.70	2,770	—	2,770	07-01-97
		5.90	33,515	—	33,515	07-01-06
Subtotal	64,000		57,195	(1,650)	55,545	
Series B, 06-01-83 (2)	37,400	7.50	1,915	(1,915)	—	07-01-87
		7.80	2,055	—	2,055	07-01-88
		8.10	2,215	—	2,215	07-01-89
		8.40	2,395	—	2,395	07-01-90
		8.75	2,595	—	2,595	07-01-91
		9.00	2,825	—	2,825	07-01-92
		9.15	3,080	—	3,080	07-01-93
Subtotal	37,400		17,080	(1,915)	15,165	
Hospital Revenue Refunding Bonds Series C, 02-01-87	24,705	3.75	115	(115)	—	07-01-87
		3.90	355	—	355	07-01-88
		4.20	370	—	370	07-01-89
		4.45	385	—	385	07-01-90
		4.65	400	—	400	07-01-91
		4.90	420	—	420	07-01-92
		5.10	440	—	440	07-01-93
		5.40	3,435	—	3,435	07-01-94
		5.60	3,030	—	3,030	07-01-95
		5.70	2,435	—	2,435	07-01-96
		5.80	1,805	—	1,805	07-01-97
		5.95	1,505	—	1,505	07-01-98
		6.05	1,185	—	1,185	07-01-99
		6.15	700	—	700	07-01-00
		6.25	775	—	775	07-01-01
		6.63	7,350	—	7,350	07-01-02/07
Subtotal	24,705		24,705	(115)	24,590	
Total Virginia Commonwealth University Teaching Hospital Revenue Bonds	126,105		98,980	(3,680)	95,300	

Higher Educational Institutions Teaching Hospital Revenue Bonds— Detail of Long Term Indebtedness (Continued)

June 30, 1988
(Dollars in Thousands)

Series and Date of Sale	Amount Issued	Interest Rates	Outstanding July 1, 1987	Issued (Retired) During Year	Outstanding June 30, 1988	Maturity
University of Virginia:						
Hospital Revenue Refunding Bonds						
Series C, 06-20-85	$ 95,387	6.60%	$ 2,205	$ —	$ 2,205	06-01-89
		6.90	2,350	—	2,350	06-01-90
		7.20	2,510	—	2,510	06-01-91
		7.40	2,690	—	2,690	06-01-92
		7.60	2,890	—	2,890	06-01-93
		7.75	3,110	—	3,110	06-01-94
		7.90	3,350	—	3,350	06-01-95
		8.10	3,615	—	3,615	06-01-96
		8.30	3,910	—	3,910	06-01-97
		8.50	2,475	—	2,475	06-01-98
		8.60	2,680	—	2,680	06-01-99
		8.75	2,915	—	2,915	06-01-00
		8.88	10,375	—	10,375	06-01-03
		9.38	6,292	—	6,292	06-01-07
		9.00	44,020	—	44,020	06-01-13
Subtotal	95,387		95,387	—	95,387	
Series D, 12-18-85	37,200	variable	32,200	—	32,200	06-01-17
Subtotal	37,200		32,200	—	32,200	
Total University of Virginia Teaching Hospital Revenue Bonds	132,587		127,587	—	127,587	
Total All Higher Educational Institutions Teaching Hospital Revenue Bonds	$258,692		$226,567	$(3,680)	$222,887	

Notes:
(1) This schedule includes only that debt for which the Treasurer is Trustee.
(2) Outstanding Virginia Commonwealth University Medical College of Virginia Hospital Revenue Bonds Series B, dated June 1, 1983 in the amount of $20,320,000 have been defeased by the Virginia Commonwealth University Medical College of Virginia Hospital Revenue Refunding Bonds, Series C, dated February 1, 1987, the proceeds of which were used to purchase State and Local Government Series obligations which, along with accumulated interest thereon, provided an amount sufficient to pay principal, interest and any redemption premiums on the refunded Series B bonds.

Special Capital Improvement Revenue Bonds— Detail of Long Term Indebtedness (1)

June 30, 1988
(Dollars in Thousands)

Series and Date of Sale	Amount Issued	Interest Rates	Outstanding July 1, 1987	Issued (Retired) During Year	Outstanding June 30, 1988	Maturity
Virginia Port Authority—						
Norfolk International Terminal Revenue						
Bonds of 1978, 06-12-78	$ 10,300	5.45%	$ 500	$ (500)	$ —	05-01 & 11-01-87
		5.50	625	(500)	125	05-01 & 11-01-88
		5.55	250	—	250	05-01 & 11-01-89
		5.60	250	—	250	05-01 & 11-01-90
		5.70	250	—	250	05-01 & 11-01-91
		5.75	250	—	250	05-01 & 11-01-92
Subtotal	10,300		2,125	(1,000)	1,125	
Newport News Marine Terminal Revenue						
Bonds of 1980, 10-28-80	10,345	9.00	4,450	(755)	3,695	07-01-88/91
Subtotal	10,345		4,450	(755)	3,695	
Total	$ 20,645		$ 6,575	$(1,755)	$ 4,820	

Note:
(1) This schedule includes only that debt for which the Treasurer is Trustee.

Virginia Public School Authority— Long Term Indebtedness (1)

June 30, 1988
(Dollars in Thousands)

School Financing Bond	Amount Issued	Authority Interest Cost (2)	Locality Interest Rate (3)	Outstanding July 1, 1987	Issued (Retired) During Year	Outstanding June 30, 1988	Maturity
Series 1968A	$ 10,000	4.42%	4.50%	$ 1,000	$ (500)	$ 500	01-01-89
Series 1971A	25,000	4.54	4.60	5,000	(1,250)	3,750	01-01-91
Series 1971B	13,000	4.98	5.04	2,750	(550)	2,200	01-01-92
Series 1972A	20,000	4.87	4.95	6,000	(1,000)	5,000	01-01-93
Series 1973A	15,220	4.84	4.90	5,340	(760)	4,580	01-01-94
Series 1974A	16,540	5.56	5.65	6,640	(830)	5,810	01-01-95
Series 1975A	16,550	5.44	5.53	6,635	(830)	5,805	01-01-95
Series 1975B	8,030	6.96	7.05	3,630	(400)	3,230	01-01-96
Series 1976A	16,165	5.88	5.98	7,245	(800)	6,445	01-01-96
Series 1976B	12,025	5.24	5.34	6,000	(600)	5,400	01-01-97
Series 1977A	12,485	5.06	5.15	6,175	(615)	5,560	01-01-97
Series 1977B	16,200	5.02	5.12	8,910	(810)	8,100	01-01-98
Series 1978A	16,210	4.99	5.08	8,910	(810)	8,100	01-01-98
Series 1978B	14,440	5.50	5.59	8,640	(720)	7,920	01-01-99
Series 1979A	16,250	5.63	5.72	9,730	(815)	8,915	01-01-99
Series 1979B	16,085	5.99	6.09	10,415	(810)	9,605	01-01-00
Series 1980A	19,375	8.33	8.40	13,510	(10,575)	2,935	01-01-01
Series 1982A	5,875	11.86	11.91	4,375	(3,175)	1,200	01-01-02
Series 1982B	3,245	10.50	10.55	1,625	(325)	1,300	01-01-92
Series 1982C	6,800	9.75	9.85	5,440	(3,740)	1,700	01-01-03
Series 1983A	11,475	7.85	7.95	9,195	(570)	8,625	01-01-03
Series 1984A	18,660	9.13	9.20	15,890	(9,425)	6,465	01-01-04
Series 1985A	13,485	8.64	8.74	12,125	(7,390)	4,735	01-01-05
Series 1985B	10,050	8.29	8.39	9,550	(500)	9,050	01-01-06
Series 1986A	18,050	6.86	6.95	16,840	(1,210)	15,630	01-01-01
Series 1986B	13,720	7.10	7.20	13,030	(690)	12,340	01-01-06
Series 1987A	51,510	6.20	N/A	51,510	(2,785)	48,725	01-01-07
Series 1987A Ref. (4)	35,695	6.97	N/A	—	35,695	35,695	01-01-05
Series 1987B	80,055	7.23	N/A	—	80,055	80,055	01-01-08
Series 1988A	52,395	6.81	N/A	—	52,395	52,395	01-01-08
Series 1988	36,610	7.07	N/A	—	36,610	36,610	12-01-08
Total	$621,200			$256,110	$152,270	$408,380	

Notes:

(1) The Treasurer serves as Trustee to the Virginia Public School Authority.

(2) Effective interest cost of Authority Bonds.

(3) Interest rate of Local Bonds.

(4) Prior to fiscal year 1988, interest rates on local school bonds were set at one rate for the life of the bonds. In order to more accurately match the cash flow between the local payments and the Authority's, interest rates on local school bonds are now set at rates better corresponding to the Authority's maturities. As a result, there is no longer a single interest rate on the local bonds.

Literary Fund Investments

June 30, 1988

Security Description		Purchase Date	Yield	Maturity Date	Par Value	Market Value
Banker's Acceptance	Barclays Bank	03-25-88	6.86%	07-01-88	$ 1,000,000	$ 1,000,000
Banker's Acceptance	Algemene	03-25-88	6.87	07-11-88	2,150,000	2,145,521
Banker's Acceptance	Bank of Tokyo	04-26-88	7.16	07-14-88	2,000,000	1,994,583
Banker's Acceptance	Long-Term Credit Bank	04-29-88	7.14	07-18-88	1,000,000	996,458
Banker's Acceptance	Dai-Ichi Kangyo	06-30-88	7.75	07-25-88	2,000,000	1,990,000
Banker's Acceptance	Mitsubishi Bank	05-09-88	7.32	08-05-88	2,000,000	1,985,417
Banker's Acceptance	Sanwa Bank	05-09-88	7.32	08-08-88	2,000,000	1,984,167
Banker's Acceptance	Dai-Ichi Kangyo	06-21-88	7.84	10-03-88	2,000,000	1,960,729
Certificate of Deposit	First American Bank	04-26-88	7.00	07-01-88	2,000,000	2,000,000
Certificate of Deposit	Sovran Bank	05-03-88	6.93	07-01-88	2,000,000	2,000,000
Commercial Paper	Ford Motor Credit Corp.	06-01-88	7.50	07-01-88	2,000,000	2,000,000
Commercial Paper	SBC Finance (Delaware), Inc.	05-09-88	7.18	07-05-88	2,000,000	1,998,311
Commercial Paper	General Electric Capital Corp.	06-09-88	7.50	07-11-88	2,000,000	1,995,778
Commercial Paper	Prudential Funding Corp.	06-21-88	7.60	07-22-88	2,000,000	1,991,133
Commercial Paper	Citicorp	04-11-88	7.08	08-24-88	2,000,000	1,977,200
Discount Note	Federal Farm Credit Bank	06-13-88	7.49	09-01-88	2,000,000	1,974,442
Discount Note	Federal National Mortgage Assoc.	06-22-88	8.14	06-07-89	2,000,000	1,857,880
Repurchase Agreement	Central Fidelity Bank	06-30-88	7.60	07-01-88	4,425,000	4,425,000
					$36,575,000	$36,276,619

Note:
This schedule presents the statement of value of all securities belonging to the Literary Fund deposited with the State Treasurer pursuant to Section 22.1-145.

Application of Unclaimed Property Receipts(1)

June 30, 1988

Year Ending June 30:	Total Receipts	Payment of Claims	Operating Expenses	Transfers to Literary Fund
1962	$ 1,789,996	$ 25,000	$ 42,084	$ 1,722,912
1963	376,235	25,000	16,275	334,960
1964	152,568	24,860	15,116	112,592
1965	333,302	5,837	17,229	310,236
1966	210,640	10,076	18,615	181,949
1967	214,063	8,761	21,823	183,479
1968	256,229	17,629	24,157	214,443
1969	239,816	11,166	24,639	204,011
1970	272,349	11,937	27,224	233,188
1971	277,534	7,607	25,910	244,017
1972	395,823	12,357	29,844	353,622
1973	448,239	11,092	31,973	405,174
1974	359,818	12,068	34,977	312,773
1975	475,895	14,904	38,652	422,339
1976	585,817	21,225	44,301	520,291
1977	570,897	33,461	48,124	489,312
1978	661,537	23,215	57,100	581,222
1979	850,107	49,530	70,095	730,482
1980	994,890	31,742	73,073	890,075
1981	2,416,872	44,686	133,439	2,238,747
1982	2,145,892	67,087	242,376	1,836,429
1983	3,332,242	388,833	543,409	2,400,000
1984	7,034,141	455,091	579,050	6,000,000
1985	9,864,619	993,622	870,997	8,000,000
1986	12,984,494	2,217,722	1,166,772	9,600,000
1987	16,557,000	1,762,000	1,295,000	13,500,000
1988 (2)	13,254,660	2,138,273	1,316,387	9,800,000
Total	$77,055,675	$ 8,424,781	$ 6,808,641	$61,822,253

Notes:

(1) Under Unclaimed Property law, the Commonwealth receives abandoned tangible personal property and securities. These are not introduced into the accounting system until converted to cash. As of June 30, 1988, there was approximately $2.4 million in securities, and unappraised contents of 5,500 safe deposit boxes in the Treasurer's custody. The Treasurer is custodian of these items in perpetuity until claimed by the rightful owners or heirs, except that, he can and does periodically convert these items into cash.

(2) Total receipts for June 30, 1988, do not include a carryover of $307,460 to be used for operating expenses in fiscal year 1989. This amount will be included in the fiscal year 1989 transfers to the Literary Fund.

NON-FINANCIAL SECTION

Boards and Authorities

By law, the State Treasurer is a member of various State councils, boards and authorities, some of which are empowered to issue tax exempt bonds.

State Council on Local Debt—Chairman*
The Council aids political subdivisions in the planning and marketing of bonds. The Council approves refunding of outstanding bonds of local governments.

Treasury Board—Chairman*
The Board exercises general supervision over the investment of State funds, and controls and manages all sinking funds and other funds in possession of the State in a fiduciary capacity. The Board provides advice and supervision in the financing of State equipment and buildings and makes recommendations to the Secretary of Finance and the Governor on methods by which capital outlay requirements of the State may be financed. It approves the terms and structure of all proposed bonds issued by State authorities receiving general fund appropriations. The Board approves the terms and structure of proposed bonds, makes recommendations to the Governor and acts as issuing, sales and paying agent for bonds sold on behalf of educational institutions and State agencies other than independent authorities. A total $6.9 million in bonds were issued in fiscal 1988.

Virginia Agricultural Development Authority—Commissioner
The Authority makes financing available for farmers and agricultural enterprises when private industry is unable to serve.

Virginia College Building Authority—Treasurer*
The purpose of the Authority is to provide capital financing to public and private higher educational institutions, finance equipment at the Commonwealth's public universities, and invest any funds held by the Authority. During fiscal 1988, the Authority issued $11.5 million of debt.

Virginia Education Loan Authority—Member
The Authority was established to provide students with increased access to postsecondary education through direct lending in the Guaranteed Student Loan Program. In addition, its activities have expanded to include secondary market and loan servicing areas.

Virginia Housing Development Authority—Commissioner
The Authority borrows money and issues bonds and notes and uses the proceeds to increase the supply of residential housing for persons and families of low and moderate income at prices they can afford. During fiscal 1988, the Authority issued $437.4 million of debt.

Virginia Outdoors Foundation—Trustee
The Foundation undertakes activities whose objectives are to preserve open space in the Commonwealth. It is empowered to accept, hold and administer gifts and bequests of money, securities or other property of whatsoever character, absolutely or in trust, for the purposes of the Foundation.

Virginia Port Authority—Commissioner
The Authority was established to acquire, construct, maintain and promote the seaports and terminal facilities within the State. It is authorized to issue bonds for the acquisition and construction of shipping and transportation facilities. The Authority issued $106.1 million of debt during fiscal 1988.

Virginia Public Building Authority—Secretary/Treasurer*
The Authority was created to aquire, construct, and operate public buildings and facilities for use by the Commonwealth.

Virginia Public School Authority—Secretary/Treasurer*
The Authority is authorized to purchase and sell local school bonds, issue bonds to provide funds for the purchase of local school bonds, provide security for payment of bonds, invest any funds held by the Authority and repay the Literary Fund for all assets transferred to the Authority from the Fund. During fiscal 1988, the Authority issued $204.8 million in bonds, which included a $35.7 million refunding issue, two pooled financings totaling $132.5 million, and a $36.6 million issue for Henrico County.

Virginia Resources Authority—Member
The Authority is authorized to issue bonds and lend the proceeds to local governments to meet water supply, wastewater treatment and drainage project needs. The Authority also shares responsibility with the State Water Control Board in the management of the Virginia Water Facilities Revolving Fund established as an additional source of low interest rate loans for local governments to finance wastewater treatment projects.

Virginia Small Business Financing Authority—Member
The Authority was created to assist in the continued growth of small entrepreneurial firms in the Commonwealth. The Authority issues tax-exempt industrial development bonds (IDB's) for eligible small businesses, provides working capital loan guarantees of up to 50% of a bank loan or $50,000, whichever is less, and issues taxable bonds for those small business projects not eligible for tax-exempt IDB financing.

**The Department of the Treasury provides staff services to these Authorities.*

Executive Page

ADDRESS

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Telephone:	(804) 225-2142

SENIOR MANAGEMENT

Alice W. Handy	State Treasurer
Ronald L. Tillett	Deputy Treasurer
Betty A. Ball	Special Assistant to the Treasurer
Mary K. Ittermann	Director, Financial Policy Analysis
Gregory A. Schnitzler	Director, Cash Management and Investments
Pat Watt	Director, Debt Management
Vivian E. Herbert	Director, Abandoned Property
A. I. Samper	Director, Operations
Susan F. Dewey	Director, Internal Audit
Karen E. Chaney	Employee Relations Director

SENIOR STAFF

Cash Management and Investments	
Margaret H. Layne	Investment Officer
J. Braxton Powell	Cash Administrator
Robert S. Young	Bank Services Manager
Debt Management	
John F. Wenderski	Bond Services Manager
Norman D. Butts	Debt Manager
Pamela A. Currey	Debt Manager
Abandoned Property	
Ruth C. White	Assistant Director
Operations	
Estelle Y. Fenner	Accounting Manager
Mildred B. Martin	Bank Reconciliation Manager

TREASURY BOARD

Alice W. Handy	State Treasurer
William H. Forst	Tax Commissioner
Edward J. Mazur	State Comptroller
Dr. Caspa L. Harris, Jr.	Gubernatorial Appointee, Reston, Virginia
McLain T. O'Ferrall, Jr.	Gubernatorial Appointee, Richmond, Virginia
Albert J. Dwoskin	Gubernatorial Appointee, McLean, Virginia

LEGAL COUNSEL

Barbara M. Rose	Senior Assistant Attorney General